

SATURDAY NIGHT

THE CANADIAN ILLUSTRATED WEEKLY

Vol. 51, No. 11

Three Sections

TORONTO, CANADA, JANUARY 18, 1936

Established A.D. 1887

10 Cents

PUBLIC ARCHIVES
OF CANADA
OTTAWA, ONT.
DEC 31/35/36

THE FRONT PAGE

FROM the welter of mutual abuse which constitutes most of the oratory in the political fight now going on in the Province of Quebec, signs are beginning to emerge that the real occasion for that fight is the acceptance by Mr. Taschereau of the resolution in favor of securing authority for Canada to amend its own Constitution. This is a comprehensible explanation of the bitterness of the conflict. Indeed the only thing that is difficult to understand about it is Mr. Taschereau's willingness to take the risk of supporting the views of the rest of the Provinces (with the exception of New Brunswick), and surrendering the ancient position that all constitutional amendment can be held up by the opposition of a single Province.

The French population of Quebec evidently finds it difficult to place reliance in the proposed safeguards which it must be admitted have not yet been defined or even sketched—for preventing any invasion of the guaranteed privileges which they enjoy in Quebec, in the event of the B. N. A. Act being made amendable by Canada alone. Their apprehensions, whether justifiable or not, are at least easily understood. If their confidence in Mr. Taschereau as defender of their racial interests had not been seriously undermined in the last two or three years, they would probably still be willing to allow him to see them through the period of constitutional adjustment which appears to be just ahead of us. It is certainly most unfortunate from the point of view of national progress, that the Quebec Premier should not be able to bring with him a solid majority of his fellow citizens to the support of a much-needed change in our constitutional structure. But facts are facts, and Quebec is Quebec, and apparently the real moulders of opinion in that Province have not yet been satisfied that the right of constitutional amendment and the perpetuity of minority privileges can be reconciled.

• • •

WHO SHOULD OWN A HOME?

WE HAVE less enthusiasm than some of our contemporaries are showing for the Federal Government's project, now being organized under the energetic leadership of the Hon. Charles Stewart, for "helping every Canadian family to own its own home." It has of course no connection with the slum clearance movement, which is intended to provide for the needs of a class of people who have very little prospect of ever owning their own homes. But what is bothering us is the question whether, in modern urban industrial life, the proportion of people who ought in their own interests to own their own home is not becoming smaller and smaller all the time.

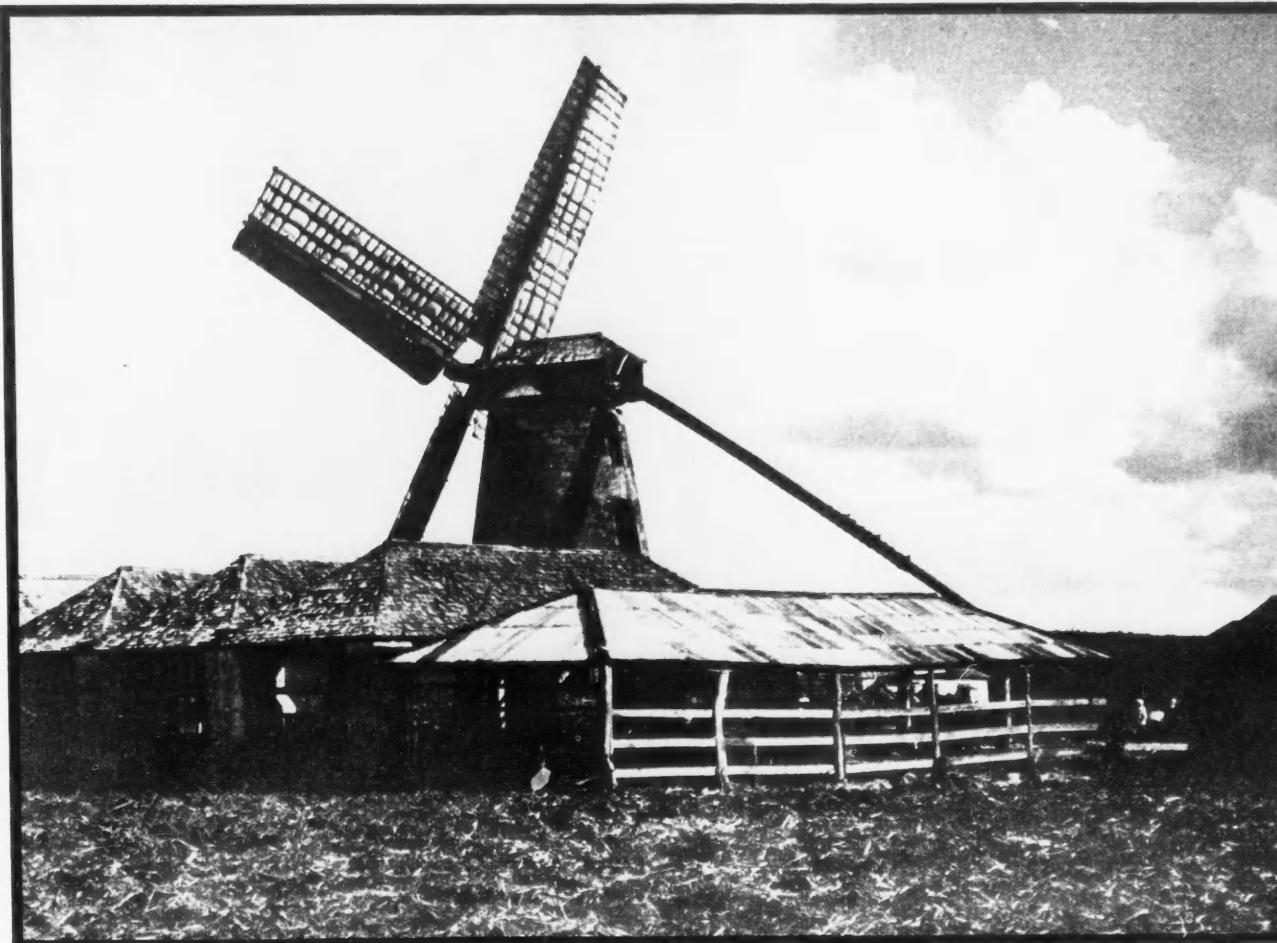
In agriculture, and in the small town life which is based upon agriculture, there can never be any great geographical separation between the home and the more or less permanent and indestructible sources of livelihood by which the home is maintained. But this is not true in relation to manufacturing industry. The location of factory industry is anything but permanent. The capitalists who control it are well aware of this, and expect to get back the cost of their plant in eight or ten years. But the labor which they employ has small chance of amortizing its domiciliary investment at anything like that rate. It is open to question whether the wage earner, and even the salary earner in a great many cases, is not giving too weighty hostages to fortune when he commits himself to the ownership of a house. Where there are several different income-earners in the family, working in different types of employment, the case may be better; but even here it is important to remember that such a family group seldom remains together for very many years on end, since marriage and economic advancement both tend towards the detachment of the younger members.

Any general economic condition which makes it difficult for such an owner to continue to maintain his household in the place where his house is situated has the further effect of making it difficult for him to dispose of it to somebody else. The advantages to the community of having a large number of its workers domiciled in their own houses are no doubt great, but the advantages to the workers are not so assured, and are probably becoming less assured with each succeeding depression. For that reason we feel somewhat cool towards any effort by the state to induce and assist wage earners to put their savings into house property rather than into life insurance and other more marketable types of investment.

• • •

FOR MORE READING

A BOLD statement that Canadians do not read enough might perhaps be controverted to some purpose. But the statement that what they read consists too largely of frivolous and ephemeral matter, and too little of the kind of literature which affords food for the mind, is not likely to be controverted by anybody. There should therefore be room for the new organization which is in process of being formed for the purpose of inducing Canadians to regard the reading of books more seriously, and which will hold its first meeting on Wednesday afternoon at the Royal York Hotel with the Governor-General as chief speaker. In an ideal world, or even an ideal country,



ONE OF THE MANY old-fashioned windmills seen on the Island of Barbados in the British West Indies.

—Photo by "Jay", Staff Photographer "Saturday Night".

it would perhaps not be necessary to have an organization for the purpose of impressing on people the desirability of reading a goodly number of good books, but this is an imperfect world, and there are societies for impressing upon people the importance of doing almost everything else, so that it does not seem unreasonable that the friends of the book should have organized themselves together in the Association of Canadian Bookmen. The Association aims not only to increase the desire for books, but also to make it easier for Canadians to choose and obtain them. It is fortunate in starting its activities during the Governor-Generalship of one who is not only a bookman in every sense of the word himself, but is also an ardent advocate of reading and of the cultural use of leisure. Since at least one expression of regret has reached us, proceeding from a lady who had concluded from the title of the Association that her sex would be left out in the cold, we feel that it may be worth while to state that membership in the Association is open to anybody in Canada, of either sex, who is interested in books and willing to help in the work of getting other people interested in them.

• • •

ACADEMIC FREEDOM

IF CANADA is spared, as we imagine it will be, from the ravages of any such movement as is now going on in many parts of the United States, for the imposition of an oath of loyalty upon all members of the teaching profession, it will be largely because of the prompt and vigorous protests of the high authorities of some of our greater universities. A considerable part of the annual report of Dr. H. J. Cody as President of the University of Toronto is devoted to this question of the effect of nationalistic and other governmental fetters upon educational institutions; and the whole utterance is an emphatic warning of the dangers of any such interference. Dr. Cody moreover is able to invoke in support of his attitude a recent and very vigorous utterance of the new Governor-General of Canada in support of the "freedom of spirit" of both the university and other teaching organizations. No fascist tendencies are

likely to make much headway against opposition such as this.

President Cody makes a very sound point when he observes that "this very privilege of freedom imposes on all teachers a responsibility in speech." The public, as he says, is distressingly apt to assume that statements made by a member of a university staff are the official utterances of the university itself. On the whole, however, the public utterances of Canadian university professors and lecturers have for many years been almost invariably marked by "the decent restraint of scholarship" for which Dr. Cody pleads; and even if they had not we should continue to feel that a certain amount of misuse of liberty is no justification for it being withdrawn.

• • •

READING BY HEADLINES

WE HAVE received a good deal of correspondence relating to the articles which have been appearing in SATURDAY NIGHT on the subject of the chain-store. Much of this correspondence is both fair and intelligent; but through a certain portion of it there runs a note of apparently sincere belief that the Royal Commission on Price Spreads elicited evidence so thoroughly discrediting to all forms of large-scale merchandising that no effective argument can now be presented on their behalf.

We think that these correspondents have an impression of the proceedings of the Commission which is much too largely based on the newspaper headlines of isolated and *ex parte* evidence, and too little on the matured and judicial conclusions of the Commission itself after hearing *all* of the evidence. Even the majority report of the Commission found much to say in favor of large-scale organization as tending to efficiency in the performance of merchandising services, and it was moreover extremely guarded in its positive recommendations of government action for the restraint of "unfair" practices. Moreover three of the signatories of the report filed a "Memorandum of Reservations," declaring that the main report showed "a tendency to consider inadequately the interests of the consumer as such," and com-

(Continued on Page Three)

THE PASSING SHOW

BY HAL FRANK

IT IS rumored that Mr. Hepburn is absenting himself from the forthcoming session of the Ontario Legislature out of deference to the Conservative Party which has no leader either.

Little Rains to Stop Ethiopian War, headline. Another victory for League diplomacy.

Lord Tweedsmuir has seen his first game of Canadian hockey which he found quite exciting. We're afraid he's going to have an awful let-down when he sees his first session of the House of Commons.

Why not go souse for the winter?—daily newspaper. Well, it's an idea.

The office pessimist says all that the world has to look forward to in 1936 is 1937.

Great Britain to keep its eye on Japan.—news item. What with its other eye on Italy and its ear to the ground, Great Britain is in for a busy winter.

We still don't know what Mussolini's game is in Africa, but apparently it has to be called on account of rain.

Mr. Aberhart has to make his choice pretty soon. It's either social credit or social discredit.

And what the world needs also is a redistribution of work.

The author of "The Music Goes Round and Round" says that the popularity of his song is a sign that the depression is over. We wonder if prosperity is really worth the price.

Telephone subscribers in Paris can now call up the company for information on any subject. Here is a golden opportunity for M. Laval to find out France's foreign policy.

Japan Takes More of China Under Its Wing.—headline. Pretty soon she's going to be all wing and no bird.

We are told there would be a greater chance for world harmony if other nations took a kinder, more understanding view of Italy, Germany and Japan. Peace on earth and good-will toward menaces?

Esther says she is very fond of music, except when it goes round and round.

NOT ON RELIEF

BY GRAHAM CATHCART

WHY are they not on relief? It is hard to say. It is something in their character—a tremendous independence, or an exceptionally keen sense of self-respect. It seems incredible that after all these years of depression and trouble there should still be a few heroic families and individuals, at any rate in Western Canada, undergoing the severest hardships rather than apply for what they regard as the wages of idleness, but it seems to be true. No doubt there are cases in Eastern Canada also, but it is in the West that for the last four years I have been doing work which brings me frequently into contact with people of this kind, and have been led to wonder why it is that for those who are willing to go on relief every kind of help is forthcoming in fairly generous measure, while hardly any effort is being made even to provide an opportunity for work for those who ask nothing more than to earn all that they get with the sweat of their brow.

MRS. JONES (that is not her name) was canning rhubarb on a blistering afternoon last August, with a fierce fire in the stove for sterilizing and the temperature in the small kitchen well over a hundred. She mentioned a family, whom I knew, in the same village, with three able-bodied men who had not done a week's work in many months; but they are on relief. "If we were only on relief, we could be like them and do nothing all day. We've kept off relief, but it has been at the expense of the boys. The two eldest had to leave school long before they should have done, and even little Jackie has to do the work of a hired man after he gets home from school in the afternoon. Dad and I do all we can, but the farm's too big for one man to run it and we can't possibly keep a hired man. Sometimes I wish I could have just one day without *anything* waiting to be done!" After the cooking there's the garden and the chickens to feed, besides the milking and separating. And all the housework and washing and ironing and mending for us all!"

MRS. DOMINICK is in a village which I visited last winter while doing temporary work in another Province. She has ten children. When I visited her shack she lay very ill in bed with one of the smaller children also very ill beside her. The bedding was in rags, and was supplemented by bits of cowhide, and the temperature of the room was arctic. Her husband earned an occasional small sum in a coal mine several miles away. The Red Cross secretary of the village told me that she had tried to persuade them to go on relief, but the husband said he was going to the very limit before he would apply for assistance. When the mother went to the hospital some time later I offered to find the necessary deposit for her admission, but she refused and somehow managed to produce the amount. She wrote me a few days ago:

"We had a very bad year again and lost a team of horses. Also not much crop. But we hope that conditions will improve so that we will be able to make a living. John, the eldest son, has been away a year now at the same place. The wages are very poor, still he gets his clothing and is better than he would be at home. With the money I received through Mrs. Graham I got two pairs of flannelette sheets, and the bedding seems to wear out so and none gets replaced. I have \$2 yet to spend so I thought I would get a fleece of wool. I can then make some more bedding. I also ordered a pound of wool for knitting. I've been so busy knitting and I've used such a lot of used wool that the new will be a real treat."

IN THE same village as the Smiths are the Robinsons, who are about to be turned out of their house, not because of failure to pay the rent, but because the owner, also a victim of circumstances, is practically compelled to occupy it himself. There is no house in the village they can get; they cannot borrow money to move, and there is no agency equipped to meet such a situation. They will not go on relief as long as they can possibly help it, but

"If we were on relief we could not be turned out," said Mrs. Robinson to me. "I know, because when Mr. Hutt was unable to pay Mr. Simmons what remained on the price of the farm he had bought from him, and Mr. Simmons asked to have the farm back, Mr. Hutt just said that he had no money to pay and that he was on relief. And that was that; he couldn't be turned out. There doesn't seem to be any help for us excepting to go on relief. What do you think about it?"

COULD give dozens of examples of just the same sort of thing. The courage of these people is tremendous; they are the best human material in the country. But we are putting a tremendous strain upon them, and worst of all, the strain is falling most heavily upon the younger members of these families, whose health and physique are being sacrificed in the struggle to maintain independence. Can not something be done to make employment, rather than relief, available so that these heroic families in the remoter parts of the Prairie Provinces can be kept together in decent living conditions? If not, we are in danger of losing some of the best of our future Canadians.

FRANCE AND THE LEAGUE

BY J. W. PICKERSGILL

IT HAS been very plain, since the Italo-Ethiopian conflict began, that the French government and particularly the French foreign minister, M. Laval, have been very reluctant to use the machinery of the League of Nations in an attempt to coerce Italy, although it is also evident that the French government wishes to have the war in Africa come to an end. At the same time, official France has been consistent and unwavering in its professions of loyalty to the League of Nations and M. Laval himself has stated repeatedly that the maintenance of the League is essential to the security of France. To many observers the professions of loyalty to the League seem to be contradicted by the opposition to effective action by the League.

The contradiction is apparent rather than real, and the consistency of French conduct is explained if the French conception of the League and its functions is understood. To understand the French attitude to the League it is necessary first to understand what the basis of French foreign policy is. And that is usually described by the single word: security. France has no aggressive ambitions whatever; she does not want more territory, either as a source of raw material, or as an outlet for a surplus population, or as a sheltered market for her manufacturers, or even for mere prestige. She wants merely to keep what she has and to be free from attack. It is impossible for the average Frenchman to forget that France was twice invaded and that large areas of the country were devastated within a single half-century, and on both occasions by the same invaders. The French do not fear the English, because they simply do not believe in the possibility of hostilities with them; they do not fear the Italians, whom they regard as an inferior and poorer people, who could be beaten if they dared to attack; but they do fear the Germans—and security for the French means simply security against another German invasion. French policy has been single-mindedly, if not always wisely, directed to that specific goal ever since 1918.

FOR the great majority of politically-minded Frenchmen, the League of Nations is judged by the single criterion: how much does it contribute to French security from a German attack? Of course this does not mean that the French government automatically opposes any action by the League except in circumstances where French interests are directly at stake. The French realize that, if they are to be able to count on the other members of the League when France is threatened, they must contribute their share to the defence of the legitimate interests of other members. Nowhere has there been greater insistence upon the sanctity of treaties and other international obligations than in France, but at the same time the ideal of the League as a great moral force imposing universal peace has had a very limited appeal to Frenchmen.

The dispute between Italy and Ethiopia put the French government in an exceedingly awkward situation. For the first time since the war, the relations between France and Italy seemed to have been put on a genuinely friendly basis as the result of M. Laval's visit to Signor Mussolini early in 1935. And the French thought that they had found in the so-called common front established at Stresa something like the security they had been looking for vainly for so long. There is no doubt that the British reaction to the Italian attack in Africa was a rude

shock to French opinion. It is probable that if the British government had been ready to acquiesce, the French government would have been willing to consent to the Italian adventure, without really liking it very much. To the French the solid fact of the Stresa front seemed more valuable than the insistence upon a strict interpretation of international law in a remote and barbarous part of the world. But the refusal of the British government to treat the Ethiopian campaign as the domestic concern of Italy, and the initiative taken by the British representatives at Geneva, made the preservation of the Stresa front impossible and forced upon the reluctant French government a choice between two powers, both of whom were considered necessary as bulwarks of French security.

IN A sense the choice between Great Britain with the League and still at peace, and Italy, condemned by the League and committed to the hazards of war on a distant front, was no real choice. No sane French government could afford to alienate British sympathy, so long as it believed in the German menace; at the same time, it had to face the danger of driving an alienated Italy into alliance with Germany. Naturally the French government has hesitated and procrastinated as much and as long as it dared.

The choice is not made any easier by the internal condition of France. The danger of an attempt by the militant Fascist leagues to overthrow the republic has been very real ever since early in 1934. The leagues generally are pro-Italian and anti-League of Nations. It is possible that whole-hearted co-operation with Great Britain at Geneva would have precipitated an internal crisis in France, which might have resulted either in civil war or the establishment of a Fascist dictatorship. It is by no means certain that the recent measures taken to disarm the leagues have ended this danger. That is perhaps one reason why the British government has not brought more pressure to bear on France. It is, of course, obvious enough to the British foreign office that the French government does not dare to alienate Great Britain, but, at the same time, it would be hard to imagine any greater calamity for Great Britain or for Europe than a Fascist revolution in France.

IT IS not altogether easy to say how far France would go in supporting the League in the present crisis. The French do not regard action by the League as a great moral crusade against the forces of evil; they regard the League rather as a mutual insurance company in which they have a policy. Naturally they want the most comprehensive policy possible and they do not want to pay any greater premium for it than they have to. If they had their own way they would probably try to ignore the Ethiopian struggle and hope that it would peter out in some fashion. They have a genuine fear, not unshared by a section of British opinion, that if the coercion of Italy leads to war, the Germans may take advantage of the situation, and a much greater war result. On the other hand, they are awake to the advantages of developing collective machinery for dealing with a powerful aggressor, and above all, they realize that they must retain active British support to meet the German threat. It is likely, therefore, that short of a Fascist revolution, France will follow reluctantly the course pursued by Great Britain at Geneva.

COLLECTIVE SECURITIES

BY A. M. MOWAT

"NOW that the season of peace on earth, good will to men, as with us once again," said the Mad Hatter benevolently, "I would ask you to drink the health of Mr. Stanley Baldwin and his cabinet for their gallant effort to preserve the grand principle of collective security. May the National Government," he added solemnly, "be always right, but right, or wrong, the National Government!"

"Oh!" cried the March Hare after the toast had been drunk with the enthusiasm it deserved, "it does

WORDS

BY ELEANOR MCNAUL

WHEN the first words came,
Edged about with wonder,
On the lovely silence,
Sparling peace astirred.
Thick, fumbling lips,
Narrow eyes, amazed,
Each on his fellow,
In timid pleasure gaze!

Draws the years they've spurned,
Words on senseless words,
Drawing out the lift of leaves
And the song of birds,
Spattering from the soapbox,
Draining in the sun,
Piercing the diabolical sea,
A golden coin a minute

Give us back the quiet,
The singing stars of night,
Violet mists of dawn,
The beat of wings in flight,
We will be alive.
The gibbering brain will cease,
At one with sun and golden grain,
Transcendental release.

my heart good to hear you say that, Hatter. In this crisis we must all support the ideal of collective security."

"Collective security," said Alice, "I don't think Mr. Baldwin has been very loyal to the collective security of the poor Ethiopians or he wouldn't have proposed lending them over to those wicked Italians."

"You don't know what you're talking about," replied the Mad Hatter. "Mr. Baldwin knew nothing about those peace terms, it was all a most frightful surprise to him and his cabinet. Didn't you know

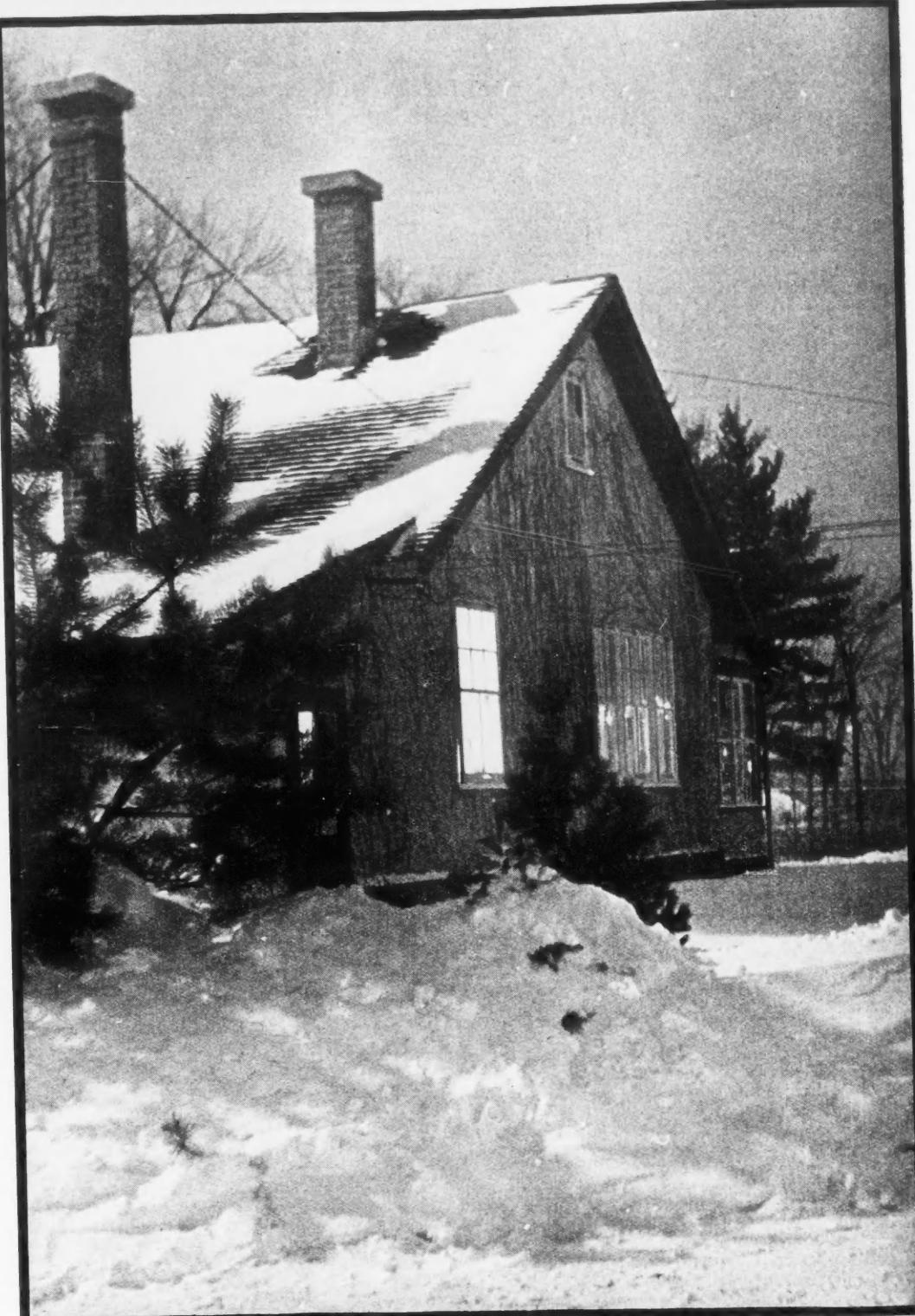
that the telegraph line between London and Paris broke down while they were being arranged? And if you didn't know that you surely knew that His Majesty forced the whole thing on Mr. Baldwin, and anyway, my dear, certain events of 'transcendent importance' made the peace proposals absolutely necessary. Mr. Baldwin said so himself."

"No, I didn't know," said Alice, "and what's more, I don't believe a word of it."

"WELL, it doesn't matter much if you do or don't," said the Mad Hatter comfortably. "The important thing to realize is that thanks to those peace terms and the general disgust and suspicion which they have engendered among the League members, we won't now irritate Signor Mussolini beyond what a proud man can justifiably bear and the system of collective security can be preserved for a while longer."

"But the peace terms weren't even decent!" cried Alice. "The Ethiopians were being bullied and robbed."

"What's all that got to do with it?" said the Mad



"WINTER MOONLIGHT". Honorable Mention photograph by Charles H. Blair, Ottawa. Rolleicord camera, 3 minutes at f4.5 by full moonlight, 9:30 p.m., Jan.

Hatter impatiently. "We're talking about the principle of collective security, not collective Ethiopians." "But it's the same thing," said Alice. "If you let down the Ethiopians what becomes of our collective security?"

The Mad Hatter looked very puzzled for a moment and then lay back in his chair and laughed. "Dear, dear," he said at last, wiping his eyes, "now isn't that funny to think that you could so misunderstand the meaning of 'collective security'! And I wouldn't be surprised," he added thoughtfully, "if there weren't others laboring under the same mistake as yourself. It just shows, my dear, that the plain people shouldn't apply their minds to politics."

"There's no need to be rude," said Alice.

"BLESS your heart," said the Mad Hatter, "I'm not being rude, I'm being frank. Where you've gone wrong is in thinking that collective security means security for a nation, more especially a little nation, against aggression."

"Well, doesn't it?" asked Alice.

"Of course it doesn't," said the Mad Hatter. "The system of collective security means exactly what it says. Collective security for our collective securities. Especially," he added, lowering his voice and looking around to see if the door was closed, "our government ones."

"But aren't our securities secure?" asked Alice.

"The Italian ones aren't," said the Mad Hatter, "and if this war lasts much longer they won't be worth anything and ours may not either."

"Why not?" asked Alice.

"That's where the grand principle of collective securities comes in," said the Mad Hatter. "The debt structures of European nations, Miss Alice, are like the Three Musketeers. They're all for one and one

for all. If the Italian bonds go the Germans go. If the Germans go the French go, and if the French go well, my dear, I'm sure you don't want to see our financiers in the city of London suffer a fate worse than death. Now, do you?"

"The Ethiopians," said the March Hare sternly, "must just learn not to be selfish."

"And do you mean to say," said Alice, "that to save your old debt structures we English have to knuckle down to Mussolini and give up all hope of fair play and decency?"

"Tut! tut! Miss Alice, don't take it too hard," said the Mad Hatter. "You're a big girl now and you must learn to be a realist and not a silly idealist."

"I think it's all very mean and nasty," replied Alice, "and I don't believe the English people will stand for it."

"STRANGELY enough," said Baron Munchausen, turning courteously to Alice, "that almost forgotten poet, Alfred Tennyson, once expressed a crackpot idealism similar to your own. I make no apology for quoting his verses."

My Lords, we heard you speak; you told us all
That England's honest censure went too far
That our free press should cease to bawl,
We stung the fiery Frenchman into war.

It was our ancient privilege, my Lords,
To fling whatever we felt, not fearing, into words
We have not this French God, the child of Hell,
Wild War, who breaks the converse of the wise.

But though we love kind Peace so well
We dare not ev'n by silence sanction lies.
It might be safe our censures to withdraw,
And yet, my Lords, not well: there is a higher law.

As long as we remain, we must speak free,
Tho' all the storm of Europe on us break;
No little German state are we,
But the one voice in Europe: we *must* speak!

That if tonight our greatness were struck dead,
There might be left some record of the things we said.
It you be fearful, then must we be bold.

From our first Charles by force we wrung our claims,
Prick'd by the Tyrant's spur, we rear'd,
We flung the burthen of the second James,
I say we *never* feared! and as for these,

We broke them on the land, we drove them on the seas.
And you, my Lords, you make the people muse.

It doubt if you be of our Barons' breed—
Were those your sires who fought at Lewes?
Is this the manly strain of Runnymede?
O fall'n nobility, that, overawed,

Would hisp in honey'd whispers of this monarque's fraud?

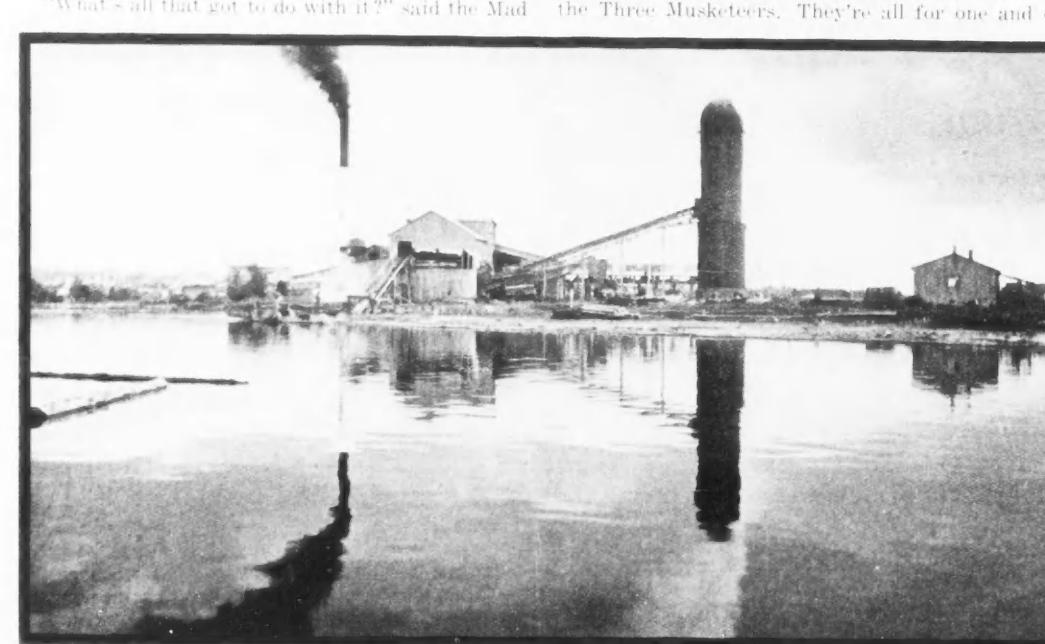
We feel, at least, that silence here were sin
Not ours the fault if we have feeble hosts
If easy patrons of their kin
Have left the last free race with naked coasts!

They knew the precious things they had to guard
For us, we will not spare the tyrant one hard word.

Tho' niggard throats of Manchester may bawl,
What England was, shall her true sons forget?
We are not cotton-spinners all,
But some love England and her honor yet—

And there in our Thermopylae shall stand
And hold against the world this honor of the land."

"Bah!" said the Mad Hatter, "more silly idealism! Three cheers for collective securities!"



"SAW MILL ON THE MATTAGAMI RIVER". Honorable Mention photograph by W. Q. Clark, Imperial Bank of Canada, Timmins, Ont. Kodak, 1-25th second, 4:30 p.m., July.

THE FRONT PAGE

(Continued from Page One)

mending in very strong terms the large-scale merchandising system as having resulted in "more scientific buying, better credit control, better accounting methods, and other characteristic economies."

Not a single member of the Commission expressed any desire for the dissolution of the large-scale merchandising organizations or for any restraint upon their further expansion. Not a line in the report suggests any objection to discounts, free deals, and allowances "when these are available to all on the same terms and are related to any measurable service rendered, or economy effected." None of the practices ascribed to large-scale merchandisers are recommended for prohibition, unless they involve discrimination between one buyer or seller and another buyer or seller, and the report makes it quite clear that such discrimination is not involved in any allowance or rebate which is equally available to all sellers or buyers who are equally prepared to enter into a transaction of the same scale and on essentially the same conditions. Differences of treatment resulting from differences in the size of the purchase, in the credit arrangements, in the terms of delivery, or in any other essential factor are not discriminatory and should not be prohibited or discouraged by the government.

ROOM FOR THE EFFICIENT

THE Memorandum of Reservations—which has received inadequate consideration by the public for the regrettable reason that its authors, having signed the main report, have been supposed to take little exception to its conclusions—goes out of its way to compliment the "mass buying" organizations on their services in 1930 and succeeding years in effecting a prompter readjustment of retail prices to reduced consumer purchasing power, and expresses the view that "they were instrumental in actually creating more employment in certain industries than would otherwise have been the case." It expresses likewise the firm belief that in spite of the growth of chain and department stores "there remains a definite place for efficient individual merchants." These views of Messrs. Boulanger, Factor and Ilsley, who had the advantage of hearing the whole of the evidence and not merely reading selected portions of it in headlines, appear to us to give a very fair representation of the effect which that evidence produced upon intelligent open-minded business men; and it should not be forgotten that a fourth and very able member of the Commission of eleven parliamentarians, Mr. E. J. Young, dissented even more vigorously from the conclusions of the majority.

We do not think any large proportion of the people of Canada now desire the constant intervention in all business transactions of a Federal Trade and Industry Commission such as proposed by the majority report. The statutory definition and prohibition of genuinely discriminatory transactions is another matter, and would probably be approved as much by the mass-buying organizations as by any other class of citizens. Examination seems to show that there is very little if any true discrimination in this sense in Canada, and that the vast majority of business transactions, whether large or small in scale, are entered into by the free choice of both participants and in the belief that they will be beneficial to both, not only for the moment, but from the long-run point of view.

WORK OF A FILM SOCIETY

THE current season's program of the Ottawa branch of the National Film Society (whose membership list "is temporarily closed, present seating capacity having been exhausted"), contains a most impressive list of works of cinema art which will never be seen in any Canadian city until it has provided itself with a corresponding form of organization. The last January offering is "The New Gulliver," a Russian film which is ranked by the critic of the New York *Herald-Tribune* among the ten greatest films shown in that city during the year 1935. Another great Russian film, "Potemkin," will be shown later, as will also the British "Don Quixote" with Chaliapin and Robey, which the commercial booking agencies apparently do not intend to give us; a number of revivals, including the famous "Grass"; a Mexican film by Eisenstein; and various French, German and Hungarian offerings.

That Ottawa should have got so far ahead of Toronto in this matter is no doubt partly to be explained by the compact character of the city, by

the exceptional educational level of its population, and by the large number of distinguished and intellectual foreigners who reside there. The Society is intended to be national in character, and great benefits are obtainable from the collaboration of different branches in different cities of Canada. It is as necessary to organize an audience for the intelligent cinema as for the intelligent theatre, and it is to be hoped that other Canadian cities will soon follow in the steps of the capital.

MANAGING THE CURRENCY

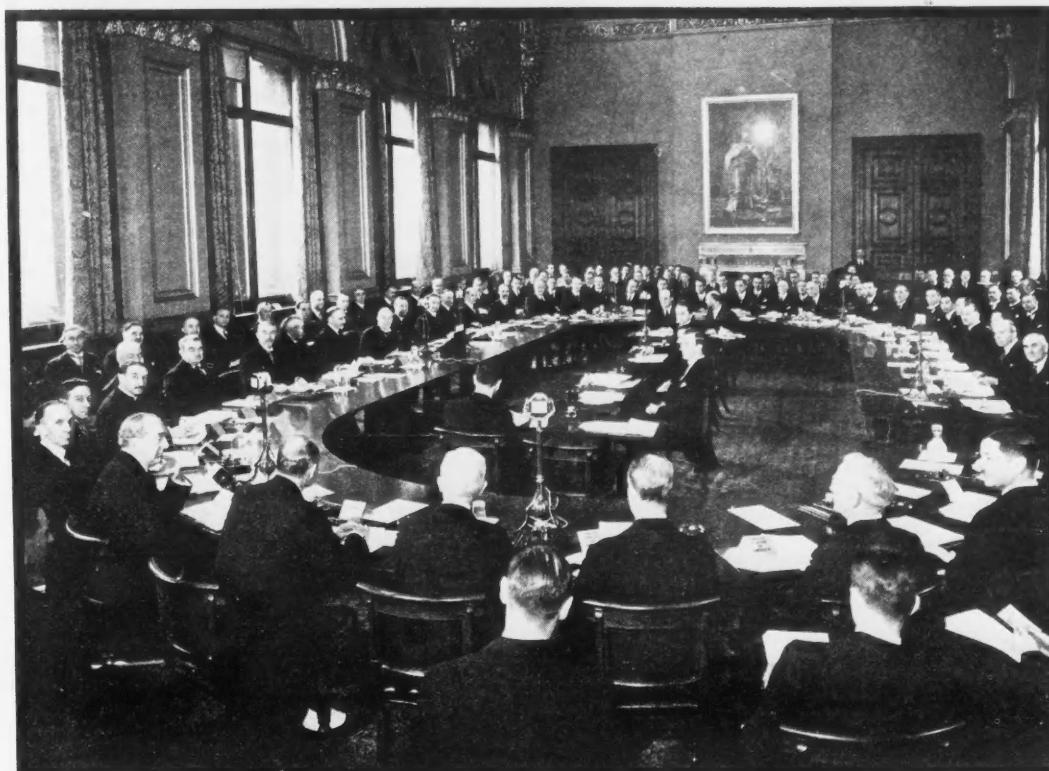
MOST of the current discussion about the advisability or otherwise of the managed unit of currency leaves out of consideration the all-important question of who is to do the managing. Americans and Canadians are constantly being reminded that the Sterling Block, under the leadership of Great Britain, is at the present time doing very nicely and has been for several years with what is obviously a managed currency. But the British currency has had the advantage of exceedingly able management with practically no interference from politicians. To argue from that that the United States could derive equal advantages from a managed currency, without any precautions to insure that the management should be wise and that the politicians should keep out, is entirely beside the point. The United States, even with its currency on a fixed gold basis, has been considerably bedevilled by the politicians who have injected a silver element into it upon a large scale, and there is in that country no hope whatever of keeping them out of currency management as long as there is any management to be done. There are nations which are capable, at any rate for certain periods, of managing a currency system for themselves without fixed metallic definition with satisfactory results. There are other nations whose efforts to do so would infallibly lead to disaster.

Canada is for the moment happily free from any necessity of having to make decisions upon this question. If the Americans should ever decide to embark upon a managed currency and to do their own managing without regard to the policies of the pound sterling, we can only express the most earnest hopes that Canada would then associate herself definitely with the Sterling Block rather than accept the risk of having the value of her currency jiggled with by Washington's politicians.

TARIFF PROBLEMS IN U.S.

OUR recent prediction that with the abolition of the New Deal the tariff would once more become the major subject of political interest in the United States seems to be supported by several significant indications. The New York *Sun*, in an enormous special issue devoted almost entirely to the complaints of every conceivable sort of American business against the Democratic legislation and policies of the last few years, includes an article by Phelps Adams, arguing that reductions ruinous to American industry have already been effected in the American tariff by the Democratic administration. Mr. Adams goes pretty far. He denies that the United States is really a creditor nation, saying that the balance sheet prepared by Special Advisor Peck showed that "America's status as a creditor nation depended entirely on the collectability of its bad or doubtful debts." If the United States is not a creditor nation it is, as Mr. Adams correctly argues, entitled to a favorable or active balance of trade. In order to prove that the United States is not enjoying the favorable balance of trade to which it is entitled Mr. Adams cites statistics to show that during the first nine months of 1935 the country imported, visibly and invisibly, one and a half billion dollars more than it exported. But in order to attain this figure he actually includes the enormous import of the monetary metals, gold and silver, imports whose economic effect is the very opposite of that of an import of commodities. The mere fact that the United States is still adding to its enormously excessive gold reserves—reserves whose dangerous size is the subject of several other articles in the same issue—is conclusive evidence that it is not exerting the purchasing power which it ought to be exerting in the world market outside of the republic itself.

Mr. Adams holds the view, very common among protectionists, that no imports into any country are acceptable to that country unless they are "non-competitive"—that is, unless they are goods of a class or kind not produced in that country. This is a plausible theory, but it has the unfortunate effect



"THE NAVAL CONFERENCE TO END NAVAL CONFERENCES". Japan's withdrawal from the London Naval Conference is in line with the predictions of experts who were skeptical of the success of the Conference from the beginning. Above, the first Plenary Session of the Conference at the British Foreign Office. Premier Baldwin, who opened proceedings, is seen on the left, centre. Representatives of the British Dominions and the United States are in the foreground while on the right, centre, are the Japanese.

of throwing entirely upon foreign producers the task of effecting any change in the consuming habits of the country's inhabitants which may be necessary in order to induce them to add to the list of articles under consumption. He objects violently to the importation into the United States of beef, pork, bacon, canned meats, butter, wheat and barley from Canada; but he entirely fails to explain how Canada is to pay the United States for the large quantities of machinery and manufactured products which he thinks should be exported from that country to the Dominion. He ridicules the "good neighbor" policies of Mr. Roosevelt, particularly as exemplified in the Canadian treaty, on the ground that they are contrary to "the old-fashioned principles of Yankee trading." Seeing that the old-fashioned principles of Yankee trading have almost abolished the United States export trade, for the simple reason that the former customers of that country no longer have anything except a little gold which they can induce the Americans to accept in payment, it would seem as if the abandonment of those principles was distinctly overdue.

FOR TORONTO OPERA

TORONTO, it is announced, is to have its own opera. Toronto has so many things, not only in the realm of music but in other aesthetic realms also, which it would not have dared to dream of having in the "prosperity" period of 1929, that he would be a daring critic who would declare that this is an impossible ambition. We have orchestra concerts twice a week all winter and once a week all summer; we are even told that we are to have symphonies with our moving pictures five days a week. We have twice as much activity in our art galleries. Attendance at our libraries is up fifty per cent. The Dominion has a poetry magazine. It has a drama festival of unprecedented scope and vigor. There is not the slightest doubt about it, the depression has been a magnificent thing for all the arts except architecture—the one art which calls for the investment of long-term capital on a large scale.

All the same, the prospect of Toronto having its own opera leaves us slightly more unexcited than any of these other aesthetic developments. For one thing, we do not quite see opera as an indigenous Canadian art form. It is not a very indigenous art form even in England, which is an old and wealthy and not un-musical country. It is an art form which it is difficult to carry on without an opera house; and we have no opera house. It is moreover an art form which does not flourish anywhere else that we know of, where the conditions governing the lawful public consumption of intoxicating liquors approximate to complete prohibition, as they do in Ontario.

It may be that in spite of all these considerations there may be so strong a demand for opera in Toronto that the scheme to cater to it by local production may be justified. There is no doubt that the radio has vastly increased the number of persons with a lively curiosity to find out what both an orchestral symphony and an opera performance sound like in the place where they are given. We shall await developments with the liveliest interest, and with some confidence that the Toronto public will be sufficiently discerning not to applaud merely because it is Toronto opera, unless it is also good opera. It is not desirable that people should go to hear Torontonians do opera as Samuel Johnson said people went to hear women preach and to see dogs walk on their hind legs—not from wonder that they did it so well but that they did it at all.

MUNICIPAL BUSINESS

WE HAVE long wondered whether there is any particular reason why municipal governments should not employ reasonably businesslike methods in their business relations with their taxpayers. We have in our hand a bill for water rates due to the City of Toronto for the half year just commenced. It is not our bill, as the water rates on our premises are paid by the owner. It carries a little notice in a corner which reads: "If water rate is to be paid by owner this account must be sent to him or his agents by the occupant." There are two occupants—ourselves and another tenant, for the house has been divided into two apartments. The bill was deposited in the lobby which is common to both apartments. Which of us is required to transmit it to the owner we have not the slightest idea; but we are easy-going in disposition and we shall probably do it ourselves.

The bill bears the description of the premises (street and number) and a printed column containing the words, one to each line, "House," "Arrears" and "Total." In typewriting, and in line with the word

"House," are two sets of figures, "14.00" and "12.60." Lower down, in line with the word "Total," are some parallel lines and a \$ sign, but nothing has been inserted against this sign. The only ray of light on all these mysterious symbols is shed by a line underneath "Total" which reads: "Last Discount Day Jan. 31st."

On the back of the bill are certain "Special Notices." The first one informs us that non-receipt of this bill does not entitle the debtor to discount if he fails to pay in January. The second relates to the turning on of water which has been turned off for non-payment. The third tells us that "10 per cent discount has been allowed on this account," thus shedding a further dim ray of light on the figures already quoted. There is a notice that persons desiring to use hose must make application at the office and pay the rate, or become liable to "the penalty provided by Sec. 41, Water Works By-law 8016"; but there is absolutely nothing to indicate whether this bill includes a charge for hose or not.

No private enterprise would dream of rendering its accounts in this manner, or would indeed be permitted to do so. The practice of depositing the bill in lobbies is particularly objectionable, as lobbies in this city and we presume in most other Canadian cities are kept constantly full of circulars offering cut rates on every conceivable object from pills to fur coats, and the average occupant pays no more attention to the documents that he finds there than to the contents of his neighbor's garbage bin. Similar methods are employed by most cities for the collection of the income tax, and it will be a relief to have that job taken over by a provincial authority which is likely to be at least a little more businesslike.

VICTORIA CHORAL UNION

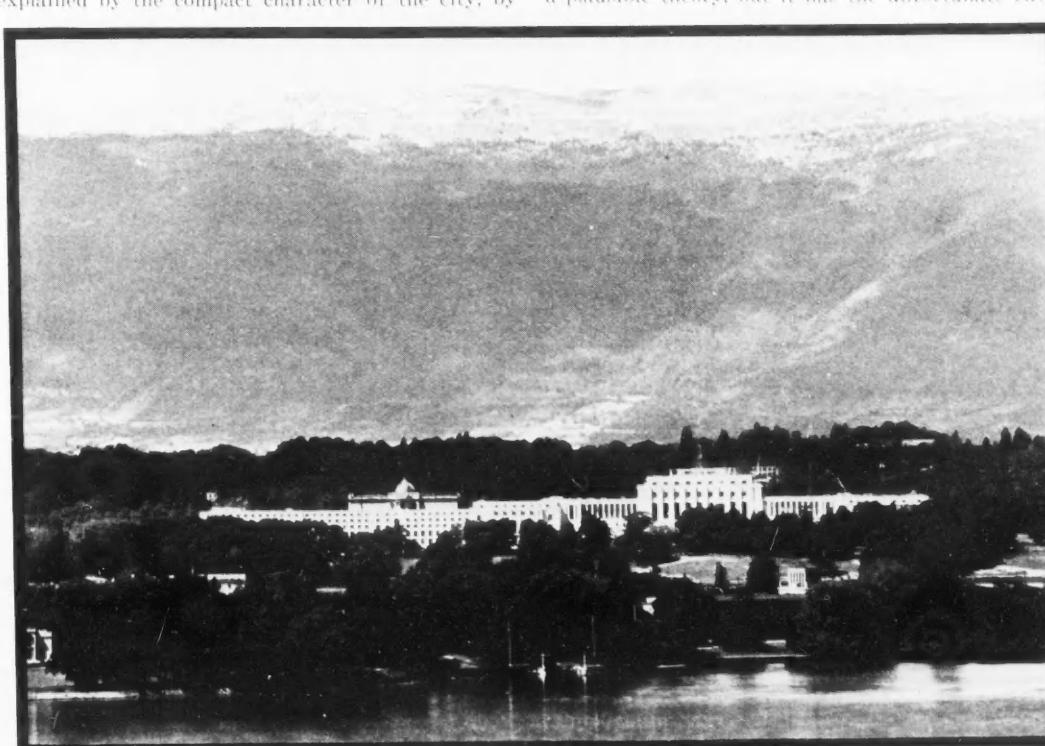
THERE is a lesson for many other Canadian communities in the story of the Victoria Choral Union, in the capital city of British Columbia, which has now for two seasons presented in the beautiful Christ Church Cathedral performances of choral works by a 300-voice choir supported by a semi-professional orchestra. The lesson relates mainly to the willingness of singers belonging to many different churches and clubs and societies to forget their special interests and local rivalry for the purpose of uniting together in an undertaking which can only be successful when practically all the musical energies of the community are combined together. Twenty-four musical organizations, as well as a number of unattached singers, were engaged in the last performance of the Choral Union. The Victorians, it must be admitted, have certain advantages: The Anglican cathedral is a noble gothic edifice admirably adapted for religious choral music, and its organist, Mr. Stanley F. Bally, is an accomplished musician well acquainted with the results of modern scholarship upon the conducting of the classics. But a fine community spirit among both musicians and public is undoubtedly the chief element in the success of the Choral Union.

ON FOREIGN AFFAIRS

WHILE it is still difficult for Canadians to form an adequate judgment about the decisions of the Foreign Offices of great European powers on the morning after they are announced, owing to lack of full knowledge concerning the diplomatic situations which produced them, we are being provided every year with more and more valuable information concerning the general background of world affairs. Thanks to the functioning of the Institute of International Affairs, many Canadian cities have recently had visits from men who are in the front rank of the experts on world problems, and these have had opportunities of discussion with large groups of interested Canadians in the conditions of semi-privacy which are essential to frank communication.

The public lecture platform in this country is now taken up to an unprecedented extent by the discussion of international affairs, and valuable work is being done by such organizations as the Pleyades Club of Toronto, which brings here next week one of the soundest and most brilliant of British press diplomats in the person of Sir Arthur Willett, for ten years representative of the London *Times* in the United States, and for fifteen years an official mouthpiece of his government as director of the British Foreign Office News Bureau.

Canada is a newcomer in the field of international relations, and has suffered from a lack of interest in the part of her people, due largely to lack of access to reliable information. That difficulty seems to be in process of being remedied.



NOBODY HOME. The League of Nations has been so busy trying to patch up things between Italy and Ethiopia that it hasn't found time to move into its new home. The Palace, a truly noble addition to Geneva architecture, has been finished for some time and was supposed to be occupied last fall. But the pressure of international business has taken the League's mind off such purely domestic matters as hanging curtains and deciding where to place the furniture. Later on, perhaps, they'll get round to it.

Photograph by H. T. Loring, Geneva

—United States Affairs

NEW NEUTRALITY POLICY

BY WALTER LIPPmann

THE proposed neutrality policy is based on the theory that another general war is likely to break out, that the United States can do nothing substantial to prevent it, that at all costs the United States must refuse to be drawn into it. There can be no doubt that this determination to stay out of another European war is shared by the overwhelming majority of the people. The only question, then, is whether Congress is considering a sound policy.

America, unlike say Belgium, Holland or Switzerland, is not in danger of having its neutrality violated by an armed invasion. The American problem of neutrality, as it relates to Europe, is wholly concerned with the entanglement of the interests of American nationals in the zone of war. It is important to emphasize this elementary point. Thus America could not be drawn into war, if be-

tween America and the European world, there were an impassable gulf; if it were possible to stop all trade, travel and communication. For if there were no American interests in the war zone, there would be nothing that could entangle the American government in the war.

The fundamental question is whether it is necessary and desirable to use both methods, whether in addition to refusing to protect American interests, it is also good policy for the United States to blockade itself.

NOW, it is clear from this that there are two ways of remaining unentangled. One way is to have no American interests in the war zone. The other way is to refuse to protect American interests. The Administration Bill and the Nye Bill, though they differ in detail, use both

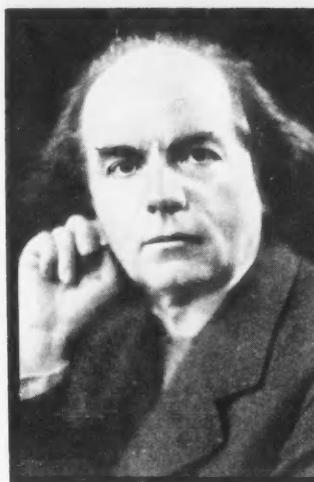
methods. They seek to stop some and reduce drastically other American interests in the war zone. That is the method of embargo. Then to those interests that are not stopped or reduced, they deny the protection of the American government.

But why do American interests entangle the American government?

The answer is that it American trade is blocked, American lives or property destroyed, the government has

always felt bound to protest and at last to fight in their defense.

MY OWN view is that the withdrawal of protection to trade and travel in the war zone during a great European conflict is necessary and inevitable. It is impossible to protect American trade without being willing to go to war to protect it. Experience shows that in great wars American efforts to protect



JAN KUBELIK, the celebrated violinist, who will give a recital at Massey Hall on Jan. 20th.

trade have failed. It also shows that countries like Norway, Sweden, Denmark, Holland and Switzerland, though nearer to the theatre of war than we, and much weaker powers than we have been able to stay out of great wars. They have done it by not protecting their "neutral rights."

Three times we have been drawn in. And always because we were protecting some of our "neutral rights."

While this is generally accepted in Congress, there are some who go further and say that it is not sufficient to withdraw protection from American interests, that American interests must be drastically limited and reduced. So they would forbid the exports of weapons, the issuing of war loans, and then they would cut down the exports of war materials, such as oil, cotton and steel to a normal peace-time average.

It is this policy of embargo that needs to be examined with great care. Without wishing to suggest that I feel sure they are conclusive, I should like to outline some of the objections that ought to be taken into account before the country is committed.

FIRST, it is assumed that the United States can choose to have, if it likes, a normal pre-war trade with the belligerents. That is doubtful. A large part of our normal trade with Europe consists of commodities that are not needed in war time—the European belligerents would immediately cease to buy them. So a large part of our foreign trade would disappear. We should then proceed to forbid all trade in weapons. Then we should, under the Nye Bill, or might, under the Administration Bill, refuse to sell more than the pre-war amount of those things that the belligerents would like to buy.

Thus by cutting down the exports of necessary war materials to the normal pre-war amount, we should in fact be cutting down our total exports to much less than the pre-war amount. For many of the things we wish to sell, Europe would refuse to buy and we should forbid ourselves to sell even a compensating amount of what Europe wishes to buy.

It seems certain, therefore, that this policy means a serious depression established by our own laws.

SECOND, if we take the position that we will not sell war materials, except in wholly insufficient amounts, it is clear that the British Empire, France and other countries must, as part of their preparation for war, arrange to obtain them elsewhere. But if they are to be sure to have them when there is a war, they will have to begin to develop the trade before war breaks out. They must make commercial alliances with nations that will supply them.

Therefore, it is almost certain that our foreign trade in peace time will, once this policy is in force, be drastically cut down.

THIRD, has anyone thought of a way of limiting American exports to "a normal amount"? Which American cotton producers, which American oil companies, which American steel mills, are to do the business that is still permitted? Is the government to set up a monopoly of foreign trade? Or are individual producers to be assigned quotas, and if so on what principle?

I can see how through credit control and other financial devices a war boom can be prevented, and that seems to me highly desirable. I can see how desirable it is to stop the issuing of loans for war trade. But how specifically, when the government is dealing with a large group of belligerents and neutrals on the one hand, and a large group of American producers on the other, is it administratively possible to limit exports to the "normal amount"? The Administration Bill is silent on this crucial point.

FOURTH, we must face squarely the fact that far from discouraging militarism and aggression abroad, an embargo policy puts a premium on both. If Great Britain, for example, cannot buy munitions in America, it must develop a still greater munitions industry in Britain. If it cannot count on a supply of raw materials to make munitions, it must in time of peace make more munitions. Any country which does not have a munitions industry must go to work to create one. Any country without a sure supply of raw materials must look around the world for colonies or allies which could supply the raw materials and must then build warships to guarantee the trade with those colonies and those allies.

It may be that the embargo policy is necessary in our own interest. But let us have no illusions about its effects on the rest of the world. It will not discourage war, as the President implied. On the contrary, it will mean that no nation can feel secure unless it has an enormous munitions industry and great armaments and allies capable of insuring the supply of vital war materials.

These are serious objections. They may not be conclusive, and for myself I should like to hear without prejudice how they can be met.



Assorted Triumphs

My friend is an advertising man.

"I see that your cigars have scored a 'Diplomatic Triumph,'" he observed yesterday.

"Meaning what?" I asked.

"Ah," he replied gloatingly, "Then there's something about Bachelors you don't know and I do! I have just been reading an advertisement, headed 'A Diplomatic Triumph', which established the supremacy, wherever the great and distinguished gather, of real Havana cigars—made with the REAL Cuban Leaf. The Cuban Government is proudly telling the world about it—it's news."

"Well," I replied, "It's true, but for twenty-five years Bachelor smokers have known the Diplomatic Triumph, the Social Triumph, not to mention the plain Home-By-The-Fireside Triumph that the 100% Havana-CUBAN Leaf filler of Bachelor Cigars always scores."

So I demonstrated with a Bachelor.

"IT'S GOOD TO GET BACK
TO A 10c. CIGAR!"

WILSON'S
BACHELOR
10¢
100% Havana Filler



Live
ON THE WATER
in winter

Revel in all water sports—golf on the Belmont 18-hole championship course—tennis, riding, swimming, cycling. Dine and dance on the water's edge.

IN CONNECTION
WITH
BELMONT MANOR
BERMUDA
INVERURIE
and CEDAR LODGE
BERMUDA

**NEW CHEST COLDS
LOW PRICE**
**SOON CONQUERED
THERMOGENE**
DRIVES PAIN AWAY

**A Printing Plant
for
Manufacturer, Wholesaler
or Retailer
For Sale as Low as \$18**

No matter what class of business you may be in . . . from large manufacturer down to corner retailer . . . you will find the ELLAMS DUPLICATOR valuable in extending sales and reducing costs. It offers an effective means of producing printed matter of various types at economical figures.

Let Us Send You Samples of Its Work

National Stationers Limited
115 York Street — Toronto

THE
MUTUAL LIFE
Assurance Company
OF CANADA
Established 1869

*Public Confidence
Is Reflected in the
66th Annual Financial Statement*

NEW ASSURANCES PAID-FOR - - - INCREASED 15%
(excluding Group and Annuities)

TERMINATIONS - - - - DECREASED 10%

**PROFIT AND LOSS ACCOUNT
for the year ending December 31st, 1935**

Surplus Funds as at December 31st, 1934, consisting of:
General Investment Reserve \$ 1,200,000.00
Policy Reserve Adjustment Fund 300,000.00
Free Surplus for Contingencies 4,506,494.30
\$ 6,006,494.30

INCOME

Premiums (net)	\$17,713,255.39
Interest and Rents (after provision for possible losses)	6,932,550.81
Supplementary Contracts	2,684,437.00
Profit and Appreciation on Ledger Assets	139,590.43
 	\$27,469,333.63

EXPENDITURES AND RESERVES

Death and Disability Claims, Matured Endowments, Surrendered Policies, Supplementary Contracts, etc.	\$12,491,233.59
Increase in Actuarial Reserve and Amounts Left on Deposit	6,364,131.55
Commissions, Taxes and General Expenses	3,333,499.44
Loss and Depreciation on Ledger Assets	237,470.71
Amount Written Off Head Office Premises	50,000.00
 	22,481,335.29
Surplus Earnings for Year	\$ 4,983,498.34

Special Charges:

Additional Amount written off Book Value of Bonds	645,746.65
Specific Reserve against Loss of Principal on Mortgages and Sale Agreements	209,754.97
Staff Pensions	113,815.00
 	969,316.62

Net Amount Transferred to Surplus Funds

TOTAL \$10,025,676.02

Deduct:

Surplus Paid or Allotted to Policyholders 3,510,760.46

Surplus Funds as at December 31st, 1935, consisting of:

General Investment Reserve	\$ 1,200,000.00
Policy Reserve Adjustment Fund	600,000.00
Free Surplus for Contingencies	4,714,915.56
 	\$ 6,514,915.56

Assurances in Force (excluding Annuities) \$8527,372,000

Total Assets \$152,630,000

**All Owned by approximately
145,000 Policyholders**

The 66th Annual Meeting of the Policyholders will be held on Thursday, February 6th, at the Head Office, Waterloo, Ontario.

R. O. McCULLOCH, President

W. H. SOMERVILLE, General Manager

The Bank of Toronto 80th Annual Report Again Reflects Progress and Strength

Deposits up over \$7,500,000

Address of Mr. John R. Lamb, President, and Mr. H. B. Henwood, General Manager, delivered to the Shareholders.

Mr. John R. Lamb, President

On rising to move the adoption of the Report my first words to you must have reference to the important losses which our Board has sustained during the past year through the passing of Mr. W. G. Gooderham, Mr. William Stone and Sir Albert Gooderham.

Mr. Gooderham was a Director for 54 years, during the last 19 of which he was President. It is a remarkable record in itself, but his claims upon our regard and affection rest chiefly upon other grounds. We honor his memory for his high integrity of character, his sound business judgment, and his loyalty to his friends, and to the many important interests confided to his care. We remember, too, his kindness of heart and the invariable courtesy and serenity with which he met both the small and the large problems of business. We may carry on without him, but he will never be replaced in our regard.

We might use practically the same words in referring to Mr. Stone and Sir Albert Gooderham. They were fine men, good friends and good citizens, and we are all of us the poorer for their disappearance from among us.

The figures of our last statement and profit and loss account are in your hands.

Profit Margin

Profits are slightly down and we see no change in this during 1935. The average rate of interest paid during the year on advances and savings shows a slight increase while expenses remain practically stationary and taxes have increased. Reduced revenues have been partly offset through the reduction in interest rates on deposits and substantially no losses on advances and dividends paid have been small during this year. We are not able to say that the reductions in deposit rates to present levels has induced deposits down the reason for the slight decrease. A good number of people are still dependent upon interest revenues to live and a cut in taxes in other countries to live in the same countries hardly leaves people. The saving people who do the best analysis except that a 10 per cent which interest is being earned on and will, at the same time, cut the best tax rates. These existing conditions however, the banks have had no alternative but to readjust rates. Whatever governments may do, it must become their duty to income must cover outgo, leave a margin for moderate dividends, otherwise, public confidence would quickly diminish and banks would cease to function.

Share Values

The bank value at one share now stands at \$264, which, subject to losses for contingencies, represents the real investment of our shareholders. The present dividend of 10s. on the per share of the above means a return of 3.8 per annum.

Bank Investments

Canadian Bank investments in Dominion, Provincial and Municipal securities have increased during the year by over \$292,000,000, now standing at the extremely high total of \$1,014,514,000 or 18% of deposit liabilities in Canada.

Business Improvement

Notwithstanding a certain degree of apprehension, business conditions continue to improve on the continent. Farm products in particular have substantially increased in exchange value, general purchasing power exists in greater volume, and profits in most lines of business are slightly better. Banking, unfortunately, is an exception, but we hope our time will come.

The wheat situation is looking better at the moment, justifying the faith and courage of the Government and of those who have carried the colossal burden and

lay is full steam ahead, with Governments leading, we are told that we are too conservative, lacking in enterprise and vision, and that we should be nationalized so that credit can be made more abundant and more accessible. In bad times we are accused, and often by the same people, of having been too liberal, therefore we should be nationalized so that credit can be brought under control and both booms and depressions banished to the neithermost regions. But it is chiefly in the years of depression, and particularly in the months preceding elections, that we learn the worst about ourselves. We have just passed through a period of this kind, and have had to sustain a running fire of criticism, ranging from deliberate mis-statement to innocent misconception of simple facts. A favorite story which one often meets is the fiction that banks create credit "out of the blue" by a "stroke of the pen" and a few book entries. A great many people believe that something of this kind goes on—some nefarious practice much like making counterfeit money. It may be legal but it is inherently dishonest, and of course very profitable to the banks! What actually happens is something like this: Two thousand depositors transfer to us an average of \$500 each, or a million in all, in cash or equivalent. We credit the various sums to the respective accounts of the depositors on certain terms of interest and under our obligation to repay on demand. This completes the first part. At the same time a grain dealer applies to us for funds to handle grain. If we are satisfied as to his responsibility, we pay over to him the funds received from the two thousand depositors against his note secured by a charge on the grain. This is the second part of this set of transactions. What we have now done in effect, is to bring the two thousand depositors and the grain dealer together, the depositors as lenders and the dealer as borrower, the bank holding the security and guaranteeing the loan. We have used many book entries and quite a few strokes of the pen, but the important point to be observed and remembered is that through the offices of the bank the two thousand depositors become the holders of the grain, subject to repayment of their advances. In course banks do not advance the full amount of their deposits. 10% is reserved in cash and an additional percentage, possibly 25%, is invested in short-term securities or other quickly convertible assets against possible calls from the depositors. Also, the grain dealer may be a manufacturer of sugar, leather, lingerie, or a farmer, practically every line of business is represented, and depositors change daily as some go out and others come in. The mechanics of investors that sense of security which is lacking at present. A Loan Council, which is now under consideration at Ottawa, might be an effective and desirable part of this plan, if the personnel were such as to provide a real safeguard against abuses.

Frequent references are made to conversion in Australia, and the improvement effected there, overlooking the fact that it was at least 20 per cent voluntary, and that coupled with the sacrifices made by bondholders, there were corresponding reductions in the whole scale of public expenditures and wages. Something similar might be acceptable in Canada, if equally comprehensive. As things are now, business is asked to pay exceptional taxes, and heavy sacrifices are demanded for credits, with no assurance that there will be any permanent improvement in the situation.

As a country we are geared up for two or three times the present population. We have a total of 1,230 governments and municipalities, to say nothing of special school authorities. There are several hundred members of the Dominion Parliament and Provincial legislatures, and many thousands sitting on municipal councils, while the civil service represents a substantial proportion of the population. We wonder if this over-organized machinery for spending has not become a sort of modern Frankenstein, which, unable any longer to find a legitimate means of support, is turning to destroy the productive power which it was intended to serve. Actually, the saving attained by a reduction in the interest on all public obligations in a flat 1 per cent, would barely amount to \$100,000,000.

responsibility during the past five years. In short, we are slowly but surely emerging from the depression, and we are justified in feeling better. This is not to say that we are yet out of the woods. The hardest pull may be before us. We still have serious unemployment, our railway situation is showing relatively little improvement, and our excessive public debts are still with us. A bad legacy from former years of over-optimism, but even our debts can be brought under control in time if it is new and worse mistakes are not made during the next year or two.

Government Conversions

The chief cause for anxiety is a certain weakening in morale, a tendency to entertain the thought of repudiation as the easiest way out. This tendency, I am afraid, is being encouraged, if not actually fed, by some of our governments and politicians. For years our public men and bankers too, have been dwelling on the great natural resources of this country, our vast agricultural areas, our mines and water-power, our foreign trade. Have we been entirely wrong all this time that we need even think of bankruptcy? I do not think so. We have gone too fast in certain directions, have over-expended our plant, so to speak, on borrowed money, and have spent our profits in anticipation. Now we are caught in an over-extended position. We are paying for our mistakes, and the paying is unpleasant, but I am sure that we have not yet approached the limit of economies that can and should be effected before we so much as think of forced conversions. Some of the suggestions put forward in recent months mean nothing less than repudiation of part of our governmental debts, because interest as well as principal is part of the contract. In our opinion, this would be shortsighted and expensive in the end. I hope there are few Canadians of any class who would wish this country to be placed in the category of defaulted South American Republics, and I think it is time for all who see and appreciate the dangers of repudiation to speak their minds.

Aside from the moral question, I doubt if forced conversions of our public debts would be profitable in dollars and cents. Our federal obligations are rapidly being refinanced in an orderly way. The average rate we believe, has already been brought down to about 1 per cent. If this federal process of refunding could be extended to provincial and municipal debts, on a voluntary basis, but taking full advantage of every possible plan for reducing interest as debts mature or even before they mature, we would enhance our public credit and restore in the minds of investors that sense of security which is lacking at present. A Loan Council, which is now under consideration at Ottawa, might be an effective and desirable part of this plan, if the personnel were such as to provide a real safeguard against abuses.

Frequent references are made to conversion in Australia, and the improvement effected there, overlooking the fact that it was at least 20 per cent voluntary, and that coupled with the sacrifices made by bondholders, there were corresponding reductions in the whole scale of public expenditures and wages. Something similar might be acceptable in Canada, if equally comprehensive. As things are now, business is asked to pay exceptional taxes, and heavy sacrifices are demanded for credits, with no assurance that there will be any permanent improvement in the situation.

As a country we are geared up for two or three times the present population. We have a total of 1,230 governments and municipalities, to say nothing of special school authorities. There are several hundred members of the Dominion Parliament and Provincial legislatures, and many thousands sitting on municipal councils, while the civil service represents a substantial proportion of the population. We wonder if this over-organized machinery for spending has not become a sort of modern Frankenstein, which, unable any longer to find a legitimate means of support, is turning to destroy the productive power which it was intended to serve. Actually, the saving attained by a reduction in the interest on all public obligations in a flat 1 per cent, would barely amount to \$100,000,000.

The total amount of our securities is much larger than we like to see but in the meantime, until the demand for commercial loans improves, we have no other alternative than to employ our surplus funds in the purchase of the highest class of short-term government securities, even though the yield on these is small. I wish to say that in following this policy we have not been unmindful of the existing unsatisfactory international financial conditions, and have provided in our contingent account reasonable reserves against the possibility of a depreciation in the value of this large holding of securities.

Bank Premises: \$3,510,975.01, a decrease of \$84,650.35 from the figures shown last year, are set down at not more than 50% of their cost.

Notes in Circulation: \$5,279,985, a decrease for the year of \$1,185,254. Under the terms of the legislation when the Bank of Canada was established, the chartered banks are required to reduce the amount of their notes in circulation each year for the first five years by an amount equivalent to 5% of their paid-up capital, and each year for the following five years by an amount equivalent to 10% of their paid-up capital. This will reduce the amount of chartered banks' notes in circulation at the end of ten years to 25% of their paid-up capital. The loss of this circulating privilege will reflect against the earnings of the banks for the reason that in place of it we must buy and pay for Bank of Canada notes from time to time as we require them, instead of being allowed to circulate our own notes under the old system.

The best asset that we can have is unblemished credit—the reputation of living up to our engagements. If investors, whether local or foreign, can feel that they will not be deprived of their contractual rights, through either legislation or excessive taxation, this country will receive and retain the money that it can profitably absorb, but if there is doubt, capital will avoid us or will be inactive in the banks, even without interest, and not only will recovery be retarded but we will fail to achieve the full prosperity to which we are entitled. Present taxation, and the threat of still further levies, have already made capital timid of long-term commitments in either property or securities.

Public Economics

Is it too much to hope, therefore, that we may, in our public affairs, get down to facts as a private corporation would do under similar circumstances, and recognize that we cannot, for the present, hope to take the lead in advanced social legislation and living standards, but will have enough to do to keep our heads above water? After we have provided for our debts, we can indulge in luxuries with any balance that remains.

Mr. H. B. Henwood, General Manager

Mr. Chisholm and Gentlemen:

I have the honour to submit to you the eightieth annual balance sheet of the Bank covering our operations for the year ending November 30th last.

Our net profits for the year were \$806,391.87, a reduction of \$16,167.31 from the figures shown a year ago.

Although we have had an increase in loanable funds throughout the year the results have again been somewhat disappointing to us, owing to the continued difficulty of finding money for commercial purposes. The important changes in the balance sheet during the year are as follows:

Total Assets: \$126,918,925.41 up \$6,157,397.92. Of this amount, \$71,499,902 or 61.45% of our liabilities to the public consists of cash or assets readily convertible into cash.

It will be noted that our gold has practically disappeared, having been taken over by the Dominion Government at \$20.67 per fine ounce, against the then market value of the gold of about \$35 an ounce. It was subsequently arranged with the government that we should receive 10% of the market value of the gold above the \$20.67 per ounce which had been paid over to us, and this money has been set aside in our contingent account as a reserve in connection with the Bank's foreign liabilities. The dominion notes shown in our statement a year ago were turned in to the Bank of Canada, which is now issuing its own notes as circulation, and this item is replaced in our present statement by notes of the Bank of Canada and deposits with the Bank of Canada.

Current Loans and Discounts: \$15,047,646.71, after making full provision for all bad and doubtful debts, show a decrease of \$52,087, reflecting the continued difficulty we have in lending our funds to commercial borrowers.

Securities: \$47,942,184.21, are up \$12,405,468.76 from a year ago, and consist mainly of government and municipal securities, the bulk of which are of short date maturity.

a balance of trade in her favour during the past year under conditions that have existed, should I think be a matter of satisfaction to us all. A comparison of the figures of our foreign trade for the year ending October 31, 1932, with October 31, 1935, covering the period in which the Empire trade agreements have been effective, is as follows:

Trade with United Kingdom

1932 Balance in our favor \$86 millions.

1935 Balance in our favor \$170 millions.

These figures indicate the increasing value to this country of the recent Empire Trade agreements. It is to be hoped that when these agreements are revised in 1937 the favorable effects which they have had on this country may at least be maintained.

Trade with United States

1932 Balance against us \$93 millions.

1935 Balance against us \$40 millions.

In our trade with the United States a steady diminishing balance against us is shown, probably because we are buying more from the Empire which is our best customer. What effect the recent agreements arrived at will have in our trade with the United States remains to be seen. As a gesture of friendship between the two countries they are well worth while. It is to be hoped that they will result in a more evenly balanced volume of trade between the two countries than we have had in former years.

Trade with Other Countries

1932 Balance in our favor \$58 millions.

1935 Balance in our favor \$39 millions.

The diminishing value of trade with other countries appears to coincide with the increase in our trade with the United Kingdom, and no doubt has been accentuated to some extent by tariff and other difficulties in exchanging our goods with foreign countries. It is unlikely that we can show much improvement in these figures until through tariff adjustments a more easy flow of merchandise both ways can be brought about.

Total Trade

1932 Balance in our favor \$51 millions.

1935 Balance in our favor \$169 millions.

Canada is a young and sparsely-settled country. Our productive capacity runs far ahead of our consumptive capacity, which necessarily makes us far more dependent on foreign trade than other more densely-populated countries, and for many years until we secure a larger share of world population, we will be dependent on other countries to consume our surplus products.

From an economic point of view, for a good many years Canada has not been well balanced as between our expenditures and the population necessary to support them. It is true that our war debts, which we unavoidable, did much to put us out of line but even before the war we had stepped along pretty rapidly in the development of ocean terminals and railway building programmes, which we now realize were much beyond our needs, with the result that the country is overbuilt in many of these public services for a population of ten million people. Our population represents only a forty-fifth part of the population of the British Empire, though our area is one-fourth of the whole. Our rural areas can sustain an immense increase in population and our natural resources (particularly in minerals) are yet barely scratched. These same day will attract many industries to this country, in fact we have undeveloped natural resources within the borders of Canada that will eventually make us the envy of the world. It is hopeless to expect the natural increase in our population to cope with the immense development that lies before us. It is necessary to our economic welfare that we have more people, and the best we can secure, if we are ever going to build our population to more adequately take care of our future development, and by the federal government will be prepared, when the time comes, to set up a sound immigration policy which will bring about a steady increase year by year in the number of those who will make good citizens in our country, for it seems to me that this must be the ultimate solution of our difficulties.

No good Canadian having any vision of the future possibilities of this country can think of the word "repudiation" in considering our present obligations. We have no lack of faith in the ultimate destiny of Canada and our ability to overcome our difficulties, and surely the best way we can indicate this to those who have shown their confidence by investing in our securities, is to determine regardless of such mistakes as we have made, to pay every obligation we have incurred in full according to the terms of our contracts.

THE FILM PARADE

MARY LOWREY ROSS

1936 AND ALL THAT

ONE of the continuing miracles of our civilization is the way movie production never comes to an end. Year after year the producers go on, faithfully rotting ideas and bringing out new crops of pictures. Right now we are ready to predict that the industry will be stopped dead for lack of raw material along about April sixth; telephones disconnected, cubicles closed and sheets drawn over the furniture in the executive offices. Only of course nothing of the sort will happen. At the last moment someone will find a new variation of an old formula, or start a new cycle or discover a new father and mother and a fresh set of problems for Shirley Temple and the industry will stagger along to 1937.

Consider the state of things at the present moment; with the exception of Donald Duck of the Silly Symphonies, no fresh talent of universal importance has turned up in several seasons. As far as talent goes, in fact, the industry is living recklessly on its principle with practically nothing put by for its old age. It still has its Metropolitan stars and the Marx Brothers and Hecht and MacArthur and Garbo. But even these can't last for ever. What is it going to do when Lily Pons and Grace Moore finally crack up, as even the best sopranos must, and the Marx Brothers decide they are artists, and Hecht and MacArthur retire to live on their eight-figure incomes, and Garbo grows old, as even Garbo must? What are they going to do,



BETTY MACDONALD in the title role of "Heidi", the Children's Theatre production at Eaton Auditorium on Jan. 25th.

it will hold us in our seats much longer. George Arliss has cleaned up on whatever odds and ends of history may have been left lying about. Dickens and Dumas have been seriously tapped, and Gene Stratton-Porter, we sincerely hope, has been done to death. Contemporary fiction, as well as much contemporary stage drama, is pretty well out of the question, because of the alarming habit of young writers of writing about political and economic oppression, a subject which Hollywood has always looked at out of the white of its eye. The last Will Rogers picture has been screened, and color photography seems to have come to

a standstill. All in all it looks as though the movies had remarkably little to go to town with in 1936. However, the show will probably go on. Hollywood can always be depended on to pull rabbits out of hats; though they are sometimes very old hats and the rabbits themselves frequently seemed to be rather more dead than alive from having been produced so often. It can also be depended upon, when there is a serious dearth of bad material, to produce something really fine, such as "The Informer" or "Mutiny on the Bounty" or the more poetically conceived moments of "Midsummer Night's Dream". With so many talented and high-salaried people racking their fine brains, something is bound to come out of Hollywood in 1936; except, perhaps, for those disgruntled souls who don't approve of the movies and always feel they have somehow been unfairly tricked when Hollywood does something undeniably to its credit.

"I DREAM TOO MUCH"

"I Dream Too Much" is built to the usual opera film specifications, with the customary struggle on the part of the heroine between the claims of love and operatic art. It is better than most operatic pictures, however, because Lily Pons sings and acts so well, and is personally so endearing. Besides it has both Osgood Perkins and Eric Blod in the cast, as well as a sensationally gifted trained seal. "I Dream Too Much" can be conscientiously recommended even to those people whose New Year's resolutions included the one about not going to any operatic pictures in 1936.

MUSIC

BY CHRISTOPHER WOOD

THE first concert of the Toronto Symphony Orchestra after the New Year was devoted entirely to the works of Beethoven. The two major works played were the "Pastoral" Symphony and the "Emperor" Concerto, with Carl Friedberg at the piano for the latter. The overture, "Fidelio," opened the concert, and the third "Leonora" overture concluded it.

I always feel that the "Pastoral" Symphony is Beethoven's one symphonic lapse from grace. In spite of the fact that it abounds in passages of entrancing beauty, the first movement seems extremely repetitious and dull in development. And though it purports to express the "awakening of joyful feelings on arriving in the country," to me, at least, it might just as well be described as expressing joyful feelings on arriving at the Union Station, or anywhere else. And in the ensuing movements the composer appears to have gone to such trouble to express a moving landscape, complete with sound effects, that he has forgotten, or deliberately overlooked, the needs of the music. In other words, he seems to have attempted what a number of composers of the present day attempt all too frequently, to paint a picture, instead of leaving that to painters. Only in the last movement does he create true and deeply moving music, and in this performance it was taken a little too fast to permit its full emotional depth to appear.

There had been more than a few hints up to this time that the horns and woodwind were not at their best. With the advent of the concerto these hints became a very definite threat to the integrity of the concert. The intonation was so bad, in fact, that it was almost impossible to really hear how the soloist was playing. That certain of the wind instruments, the horn, the oboe, the bassoon, are very difficult to play, one need not deny, and that the nervous strain is considerable as it is mostly solo work, is undoubtedly true; but there can be no possible excuse for the execrable display of varying intonation to which the audience were treated on this occasion, and about which no one attempted to do anything. It is more than unfortunate that an orchestra on the whole so good should have its work spoilt by carelessness on the part of a few players. And carelessness it must certainly be, as on many occasions their work is perfectly acceptable.

WITH the exception of the first group, Nino Martini's song recital in Eaton Auditorium was not remarkable for very high musical value. Possibly this was all for the best, as Mr. Martini possesses the unfortunate faculty of making all songs sound pretty much alike. Undeniably his voice is smooth and beautiful, but that his claims to being an artist are to be taken very seriously is open to question. He sang throughout in a manner calculated to reduce the hearts of respectable matrons and adolescents to the consistency of butter on a warm day. The performance of this test was undoubtedly assisted by his almost too charming stage manner. Otherwise his artistry appears negligible. As an accompanist Miguel Sandoval was one

THE TORONTO CONSERVATORY OF MUSIC
49th Season
Principal: SIR ERNEST MacMILLAN, B.A., Mus. Doc., F.R.C.M., F.R.C.O.
Vice-Principal: HEALEY WILLAN, Mus. Doc., F.R.C.O.
School Year September to June
Teachers and students are advised to make application for the NEW GRADED SYLLABUS
ALSO THE YEAR BOOK CONTAINING FULL INFORMATION ABOUT TEACHING COURSES, ETC. ADDRESS: 155 COLLEGE ST. TORONTO 2

CANADIAN GRAND OPERA ASSOCIATION
Premiere Season
Under the distinguished direction of RICHARD HAGEMAN, formerly of the Metropolitan Opera
First Production "AIDA" SAT. FEB. 1st, 8:30 P.M.
BALLET Under Louis Burns—SYMPHONY ORCHESTRA OF 36, followed by Carmen, Feb. 8; Rigoletto, Feb. 15; Faust, Feb. 22; Il Trovatore, Feb. 29; Tosca, March 7.
BRAHMIN, URBAN General Director
POPULAR PRICES
25c, 50c, \$1.00, plus tax

TODAY IMPERIAL TODAY
REGINALD STEWART and his SYMPHONY ORCHESTRA of 60 musicians in a selection of popular classics.
KATHARINE HEPBURN in 'SYLVIA SCARLETT' with CARY GRANT and BRIAN AHERNE

FRIDAY
"THE MUSIC GOES ROUND REVUE" Starring EL BRENDEN The Howdy Holler and cast of 40.
"ANNIE OAKLEY" Starring BARBARA STANWYCK Preston Foster Melvyn Douglas.
SHEA'S TORONTO'S ONLY VAUDEVILLE

MASSEY HALL Mon. Eve. JAN. 20
JAN KUBELIK WORLD FAMOUS VIOLINIST
SEATS NOW SELLING!—50c \$1. \$1.50 \$2.—Tax Extra

TUESDAY EVENING, JAN. 21st
TORONTO SYMPHONY ORCHESTRA SIR ERNEST MacMILLAN, CONDUCTOR
Guest Artist: JEANNE DUSSEAU Soprano
VERDI—Pace, Pace Mio Dio (La Forza del Destino)
MADAME DUSSEAU and ORCHESTRA
SIBELIUS—Symphony No. 4 (First Toronto Performance)
GERSHWIN—An American in Paris

TUESDAY EVE, JAN. 28 Direct from The Metropolitan O. H. New York
The Dance Sensation of London, Paris and New York!

JOoss European Ballet From Dartington Hall, South Devon, England
"UNIQUE ANYTHING THAT HAS BEEN SEEN BEFORE IN LONDON" —London Times

SEAT SALE THURS.—\$1. \$1.50 \$2. FEW SEATS (Tax Extra)
\$2.50 \$3.

THURS. EVE, JAN. 30 MAIL ORDERS NOW!
60c \$1.15 \$1.65 \$2.25 (Tax Extra)
THE MIRACLE CHILD --- THE TEN-YEAR-OLD PIANIST RUTH SLENZYNSKI
"Possesses a tone that easily among the most established virtuosos" (N.Y. Evening Post)

CONSERVATORY STRING QUARTET SATURDAY, JAN. 18, 8:30 P.M.
FIRST PERFORMANCE SIBELIUS CONSERVATORY CONCERT HALL

PLANO RECITAL Alberto Guerrero Ph. E. Bach—Haydn—Mozart
January 25th, 8:45 p.m.
Maltzay Galleries—100 Queen St. W.
Tickets at Bentham's and Toronto Conservatory of Music

HART HOUSE THEATRE Jan. 20th to 25th
THE POWER OF DARKNESS BY LEO TOLSTOY
Directed by NANCY PYPER
"A Great Russian Drama"
Seats \$1.00—Tax Extra. 6 Coupons
\$4.00 Box Office M.L. 8428

MURDER PATTERN By Herman Sudermann
EXPERIMENT IN SYMPHONIC THEATRE
With a Chorus of 100 Voices, 1000 Wind Instruments, 1000 Light
The Play Workshop
Central High School, 300 College St., between Bloor and College Streets
Friday and Saturday, Jan. 24th and 25th
Admission 25c. at Doors—Curtain 8:30

EATON AUDITORIUM Thursday Evening, January 23rd
at 8:45 o'clock

JOSEF HOFMANN Master Pianist
3rd Concert on Music Masters Series
Tickets \$1.50 and \$1.00. Tax Extra
Telephone AD. 5444

Medicated with ingredients of Vicks VapoRub
VICKS MEDICATED COUGH DROPS FULL 2 1/4 OZ. ONLY 15¢

THE BANK OF TORONTO

*Eightieth Annual General Report
30th November, 1935*

PROFIT AND LOSS ACCOUNT

Profits for the year ending 30th November, 1935, after providing for	8232,743.10
Dominion and Provincial Taxes	80,000.00
Staff Pension Fund	
and making appropriations to contingent accounts, out of which accounts full provision for bad and doubtful debts has been made	8 806,391.87
Written off Bank Premises	100,000.00
Dividends at the rate of 10% per annum	706,391.87
Balance of Profits carried forward	600,000.00
Profit and Loss Balance 30th November, 1934	106,391.87
Profit and Loss Balance 30th November, 1935	737,173.32
	843,565.19

GENERAL STATEMENT, (30th November, 1935)

LIABILITIES

Notes in Circulation	8 5,279,985.00
Deposits by and balances due to Dominion Government	8 1,690,601.87
Deposits by and balances due to Provincial Governments	1,334,326.62
Deposits by the public not bearing interest	18,605,875.16
Deposits by the public bearing interest, including interest accrued to date of statement	79,634,586.24
Deposits by and balances due to other chartered banks in Canada	101,265,479.85
Deposits by and balances due to banks and banking correspondents in the United Kingdom and Foreign Countries	1,457,671.71
Bills payable	2,801,426.70
Acceptances and Letters of Credit outstanding	174,518.75
Capital paid up	1,401,881.80
Rest	110,923,292.10
Dividends declared and unpaid	152,068.12
Balance of profits as per Profit and Loss Account	843,565.19
	15,995,633.31
	\$126,918,925.41

ASSETS

Gold held in Canada	490.05
Subsidiary coin held in Canada	203,953.54
Notes of Bank of Canada	1,451,980.00
Deposits with Bank of Canada	9,161,131.86
Deposits with other chartered banks	347,660.00
Government and bank notes other than Canadian	50,623.48
Cheques on other banks	6,169,996.02
Debts by banks and banking correspondents elsewhere than in Canada	2,842,377.84
Dominion and Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value	20,000.00
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value	9,000.00
Canadian Municipal Securities, not exceeding market value	152,068.12
Public Securities other than Canadian, not exceeding market value	843,565.19
Other Bonds, Debentures and Stocks, not exceeding market value	33,329,505.00
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover	51,271,689.21
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for	71,499,902.00
Loans to cities, towns, municipalities and school districts	45,047,640.71
Non-Current Loans, estimated loss provided for	4,813,725.11
Liabilities of Customers under acceptances and Letters of Credit, as per contra	261,952.56
Mortgages on Real Estate sold by the Bank	121,623,220.38
Bank Premises, at not more than cost, less amounts written off	1,401,881.80
Deposit with the Minister of Finance for the security of the note circulation	47,814.34
	3,510,975.01
	335,033.88
	\$126,918,925.41

JOHN R. LAMB,
PresidentHARVEY B. HENWOOD,
General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with a certificate from the Branches to the effect that the above statement of liabilities and assets as at the 30th November, 1935, is in accordance therewith, and in our opinion discloses the true condition of the Bank. We have verified the cash and the securities representing the Bank's investments held at the Head Office at the close of the Bank's fiscal year, and during the year we counted the cash and examined the securities at certain of the important branches. We have received all the information and explanations we have required, and all transactions have been within the powers of the Head Office.

D. M. R. McCLELLAND, F.C.A.
of Price Waterhouse & Co.A. B. SHEPHERD, F.C.A.
of Peat Marwick, Mitchell & Co.

TORONTO, 20th December, 1935

(Continued on Page 9)

The Waldorf Point of View

The distinguished setting of The Waldorf...with all The Waldorf's superlative services and social gayety... and yet

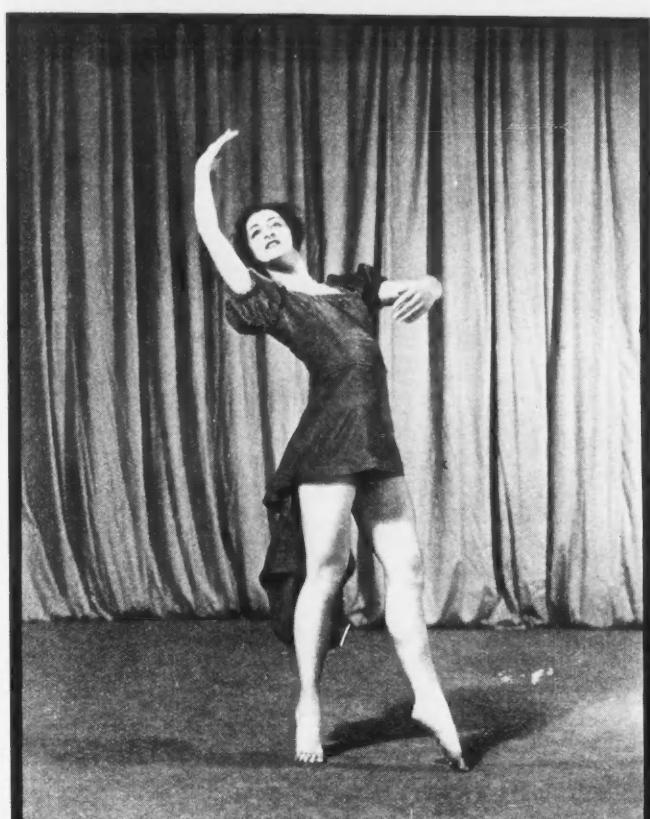
Single rooms: \$5, \$6, \$7
Double rooms: \$8, \$9, \$10

Interesting New York life centers at The Waldorf, located in the city's most favored residential section... yet just a few minutes from shops, clubs, theatres, and Grand Central.

Write for Booklet Number 27, entitled, "Tripping Around New York".

THE
WALDORF ASTORIA

Park Avenue, 47th to 50th Streets
New York City



MIRIAM WINSLOW, the American dancer, guest artist with the Toronto Symphony Orchestra at its Saturday concert on Jan. 18.

MUSICAL EVENTS

(Continued from Page 7)

of the best I have heard, but his two solo groups were far below this standard, in spite of an excellent technique, and his two compositions were not such as would be placed on a more serious program.

THE concert of the Toronto Symphony last Saturday had about it a pronounced negro flavor, for with the exception of the overture to "Figaro" and the Bach concerto in C minor for two pianos and orchestra, the rest was at least based on negro themes. Dvorak's "New World" Symphony was played extremely well, the woodwinds as they did throughout the whole concert showing how well they can play, and consequently how well they always ought to play, and one flitted from the plantations to Bohemia pleasantly enough with some display of heroics. The two negro melodies of Coleridge-Taylor were pretty and melancholy and obvious and nostalgic and so on. Far finer than either of these was "Nero Heaven," a Symphonette for Orchestra by the Italian-American composer, Otto Cesana. Too often negro music is dull and uninteresting, sounding more like the raw material for artistic endeavor rather than the finished product. Cesana has taken this raw material and enlivened it with his Latin wit and brilliance, and the result is extremely clever and amusing. The rhythms, as might be supposed, are vigorous and intricate, and the richness of orchestration is saved from becoming cloying by the acidity of the harmony. A bright, effective and musically interesting work which one would like to hear again before long.

Etta Coles and Naomi Yanoff played the Bach concert very beautifully indeed, and I can think of no other two piano team whom I would rather hear. But their choice of encore was very unhappy. After Bach more Bach, or at least something of that period and not too long, and never, never "The Blue Danube" in that horrific arrangement.

ALEXANDER BRAHLOWSKY played for the Women's Musical Club in Hart House Theatre last Monday afternoon a program of great interest. The Bach Chaconne arranged by Busoni, which opened the program, was played with a superb grandeur and breadth, with a scholarly consideration for detail, detail which was exquisitely subordinated to the whole. In fact I do not recall ever having heard a performance of this work which was so intellectually satisfying. After this was a pleasant and cheerful little Rondo by Hummel. Then the "Appassionata" Sonata of Beethoven. The first movement, though played with sincerity, suffered, it seemed to me, by too great a use of rubato, the second subject in its announcement losing something of its tremendous vitality and significance through slackening the tempo too early. But of the second and third movements one could not say a word in dispraise. The second group was all Chopin. It was one felt, played as Chopin should be played, and so seldom is, with nothing sentimental and mawkishly school-girlish about it, but with adult poise and consideration. Some of the slow themes—as that in the "Fantasie Impromtu"—were played rather slower than usual and gained much in beauty and sedateness. And much as I dislike the Waltz in E-flat, played as Brahowsky played it, it took on a new vitality and wit. With the exception of the "Paganini" by Scriabine, the last group was mostly a display of virtuosity, concluding with "Islamiey" by Balakireff.

THE many admirers of Madame Jeanne Dusseau will be delighted with the engagement of this internationally famous soprano as guest artist with the Toronto Symphony Orchestra for the next Tuesday evening concert to be given in Massey Hall, January 21st.

For her appearance with the Toronto Symphony, under the direction of Sir Ernest MacMillan, Madame Dusseau has selected "Pace, Pace Mio Dio" from Verdi's great opera, "La Forza del Destino."

ONE of the most interesting events in Toronto's musical calendar is the visit to Massey Hall Monday evening, January 26th, of Jan Kubelik, one of the world's most famous violinists. Not since 1921 has Kubelik visited America (this last Toronto appearance was in 1913), having spent the time traveling and giving concerts in Australia, Asia, Europe and South America where he was greeted everywhere with great enthusiasm and acclaim. Since his arrival in the United States last year, music critics all attest to one fact, that the Wizard of the Violin has lost none of his magnificence and technique which he so aptly displayed on his previous tour of this country.

THE visit to Massey Hall, Tuesday evening, January 26th, of the Jooss European Ballet is unquestionably one of the most important dance events of the season. Ever since this unique organization captured the attention of the world by winning first prize at the International Congress of the Dance, in Paris, in 1932, and followed this triumph by going to London and New York, their Broadway engagement being the outstanding success of that season, local lovers of the dance have been keenly looking forward to their appearance.

This season sees the Jooss Ballet returning to America, following their extended London and European engagements, with new ideas, in addition to the already proven favorites, such as "The Green Table," "The Big City" and "A Ball in Old Vienna."

The Jooss Ballet offers that ideal combination, perfect knowledge of the art and technique of the classical ballet, fused in an intensely dramatic manner with the most modern form of the dance movement. Ballets have been based heretofore mostly on mythological and classical themes, also themes drawn from fable and from folk-lore. The Jooss Ballet in its presentation of "The Green Table" and "The Big City" draw their themes from contemporary life, with stage technique based on a mastery of the most recent practices.

COMING EVENTS

CONSIDERABLE interest is being evinced in the forthcoming recital by Alberto Guerrero, in the Mallory Galleries, on Saturday, January 25th. It will be the second of three recitals of Eighteenth Century music which Mr. Guerrero is presenting this season. The first recital was a most interesting and successful performance, practically a *tour de force* in the way in which interest was sustained for an hour and a half by the variety of treatment of the Bach Inventions. Those who heard it are looking forward to the second program, in which Mr. Guerrero will present two interesting examples of the piano sonatas of Karl P. Emanuel Bach, two sonatas



THE SMOKE OF
THE BRITISH
EMPIRE

Jessie Matthews is doing as much to create world-wide preference for British films as any celebrity of the screen. Her latest Gaumont-British Pictures Corporation film, "First a Girl," provides Miss Matthews and her husband, Sonnie Hale, with delightful roles. Be sure to see it at your theatre.

© Gaumont-British Pictures Corporation 1936

Jessie Matthews—the little dark-eyed, raven-haired darling of millions of British picture-goers is a star, if ever there was one.

She learned to dance to get on the stage. As a dancer, she studied acting. After scoring "hits" on the stages of two continents, she studied for the films. Achieving stardom in "The Good Companions," she is still the hardest working member of any cast—never satisfied with anything less than perfection. In one so insistent on quality, it is significant that her preference in cigarettes is for W. D. & H. O. Wills' Gold Flakes.



Pocket tin of fifty—
55 cents

W. D. & H. O. WILLS
GOLD FLAKE
CORK TIP OR PLAIN
CIGARETTES

A shilling in London— a quarter here.

**THE
DOMINION LIFE
ASSURANCE COMPANY**
Head Office Waterloo, Ontario

HIGHLIGHTS OF THE 47TH ANNUAL STATEMENT

The Dominion Life showed excellent progress during 1935. It is with gratification that the Board of Directors submit their summing up of the 47th Annual Statement—a definite reflection of increasing public confidence in conditions generally. A complete copy of the Annual Report will be mailed on request.

DURING 1935

ASSETS
Increased by \$2,241,851
(and now total \$31,098,870)

POLICY AND ANNUITY RESERVES
Increased by \$1,553,690
(and now total \$25,650,827)

INSURANCE IN FORCE
Increased by \$5,057,236
(and now stands at \$155,279,029)

**PAYMENTS TO POLICYHOLDERS AND
BENEFICIARIES DURING 1935**
TOTALLED
\$2,988,628

**EXCESS OF RECEIPTS OVER DISBURSE-
MENTS DURING 1935**
\$2,359,028

TOTAL INCOME IN 1935 WAS
\$6,896,087

A MESSAGE FROM THE PRESIDENT

The assets, \$31,098,870, with the contributions of \$4,000,000 added absolutely to the policyholders' This \$406,349 represents the shareholders' capital and surplus account, which is an added security for policyholders and is available to them if required. Dividends paid to shareholders during the past five years have been considerably less than was actually earned on the fund.

The Company's assets are divided as follows:

Mortgage and Sale Agree- ments	41.95%
Bonds (26.61% of Bonds are Dominion and Pro- vincial)	28.46%
Stocks (Preferred 1.21%; Common 2.23%)	3.44%
Real Estate, including Head Office	3.64%
Loans to Policyholders	15.31%
Interest due and accrued	3.07%
Premiums Receivable	2.78%
Cash on Hand	1.33%

100.00%
The item, "Policy and Annuity Reserves, \$25,650,827" is the amount required to meet future premiums, to all of us all of us \$3,000,000 which they become due, either through death or maturity of the contracts.

As an indication of improved business conditions, I point to the fact that the demand for loans on policies decreased appreciably during 1935 and our business in force increased over five million dollars.

I think we can review with justification the progress which the Company has made during the past year.

John Stumpf
President and Managing Director

TWENTY YEARS OF PROGRESS

	1915	1925	1935
Insurance Issued and Revived	\$ 3,403,404	\$ 17,874,727	\$ 23,180,974
Insurance in Force, December 31st	17,561,706	81,677,030	155,279,029
Premium Income	523,102	2,708,579	4,715,470
Total Income	739,657	3,462,838	6,896,087
Payments to Policyholders	265,311	1,043,950	2,988,628
Assets as at December 31st	3,954,632	12,375,516	31,098,870
Insurance and Annuity Reserves as at December 31st	2,906,038	10,228,212	25,650,827

FORD S. KUMPF, Waterloo, President

EDWARD F. SEAGRAM, Waterloo, Vice-President GEO. A. DOBBIE, Galt, Vice-President

BRANCH OFFICES AND REPRESENTATIVES ARE LOCATED IN EVERY
IMPORTANT CENTRE THROUGHOUT CANADA

SATURDAY NIGHT

THE CANADIAN ILLUSTRATED WEEKLY

BERNARD K. SANDWELL, Editor
Mark S. Hodgeson, Advertising Manager

Subscriptions to points in Canada and Newfoundland \$1.00 per annum.

Great Britain, British Dominions, Colonies and Protectorates \$5.00 per annum.

United States and United States Possessions \$6.00 per annum.

All other countries \$10.00 per annum.

Single copies 10 cents.

NOTICE TO ADVERTISERS

Advertising contracts are solicited and accepted by this business office or by any representative of "Saturday Night," subject to editorial control of the publication. The Editors reserve the right to reject any contract accepted by the business office, its branch offices or its advertising staff, to cancel same at any time after accepting it, and to refuse publication of any advertisement they consider undesirable or undesirable.

No contribution will be returned unless accompanied by stamp and address of envelope. The Editors do not accept any article or manuscript for the "Saturday Night" unless it is accompanied by a guarantee of payment.

Printed and Published in Canada
CORNELL OF RICHMOND AND SHIPPARD
STREETS, TORONTO, 2, CANADA

NEW YORK OFFICE
605 BROADWAY, PARK AVENUE
ROOM 1008, 17TH FLOOR

Business Manager
G. T. Croucher
Circulation Manager
E. F. Tay

Vol. 51, No. 11 Whole No. 2238

HOW MASS BUYERS CO-OPERATE WITH PRODUCERS

Many Instances Cited of Deals Whereby Producer Gets Ready Cash and Benefit of Stable Production While Consumer Gains from Low Prices—New Lines Secured for Canadian Manufacturers

BY B. K. SANDWELL

"IT ISN'T so much people's ignorance that matters, as the number of things they know which ain't so."

So said Bill Nye away back in the 'eighties when he occupied a position on the North American Continent much like that which was more recently held by the late Will Rogers.

In these words the old rocking-chair philosopher was giving utterance to a very important truth. It is desirable to replace ignorance with knowledge, but it is even more desirable, and much more difficult, to replace incorrect or inadequate ideas with proper understanding. It is this that SATURDAY NIGHT has been attempting to do in its series of articles relating to the part played in modern merchandising by the chain stores, and the particular object of this present article is to get at the truth with regard to the relationship of chain store organizations to the producer or manufacturer.

Here, as in other parts of this study of a particular method of modern merchandising, there is no intention of claiming for the chain stores any more than they are entitled to, and certainly no idea of discrediting any other form of retail distribution, for all the other forms have played their part, sometimes a very valuable part, in rendering service to the producer. But for special reasons there has grown up in recent years a widespread and serious misunderstanding of the relationship between the chain store and the producer, and a frank and impartial consideration of what is actually going on seems to be urgently needed.

GOODS MOVE RAPIDLY

BROADLY speaking, the peculiar service which the chain store seems to be able to provide for the producer or manufacturer is the rapid movement of goods into the hands of the consuming public. This is due to the fact that the chain retains control of the goods from the time it takes them over from the producer until the time when it delivers them to the consumer. This enables the necessary salesmanship drive to be carried through with greater unity and efficiency than in other methods of retail distribution. It brings under a unified control the whole series of efforts to make the goods available to the public, to attract the public's attention to the goods, to convert the goods into money, and to build up by these processes a continued demand for further supplies of the same kind of goods.

There are so many kinds of chains, handling such a wide variety of goods, that it is impossible in a brief article to give any complete picture of the many different ways in which they operate towards the attainment of this end. Probably the best way to indicate the general character of these methods is to present for consideration some specific instances of team play as between the chain stores and the producers.

In the autumn of 1933, three farmers from the Montreal district came to a chain whose head office was in Montreal, to discuss a serious problem. Their celery crop, although large in a numerical sense, was small in the size of the heads, and with the rapid approach of cold weather the farmers were afraid of sustaining a complete loss of this article. The three farmers, it was learned, had upwards of ten thousand dozen celery, all too small for regular requirements, and all requiring to be marketed within a period of ten days. It was arranged that the chain, at a price mutually agreed upon, would take this celery, delivered undressed as pulled from the fields, at two hearts for five cents, as against the prevailing price of five cents a heart for ordinary celery, and inside of ten days twelve thousand bunches of 144,000 hearts were disposed of—a sum special for the chain store, and one which saved for the three farmers about \$1,500 out of what had seemed likely to be a total loss.

This power to move goods rapidly into the hands of the consumer is very extensively used in the late summer and autumn during the marketing period of one of the most difficult classes of crops—that of basket fruits. In spite of the progress that has been made in recent years in the marketing of this product as a result of growers' associations and other marketing organizations, situations still occur every year which require speedy action if goods are to be got into the hands of the consuming public before they are spoiled.

In the summer of last year, for example, one chain, not the largest in Canada, sold 15,000 bushels of peaches during one weekend. This sale, which was the result of a special and well-organized effort, made a splendid feature for the units of the chain and was of great benefit to the local broker who had the peaches in hand, to the shippers who had grown them, and to the public who were enabled to get them at an attractive price.

STIMULATES RETAIL EFFORT

SUCH sales are merely examples of a comparatively common type of operation which is only made possible because of the shortening of the bridge between the producer and the consumer, and the bringing under a single control of all the successive phases of the transfer.

There may be a heavy supply of apples approaching a glut. A chain organization takes hold of this and immediately establishes a general and energetic sales policy, involving heavy advertising and extensive display in all its numerous units. The public is made apple conscious. The apples are sold and eaten and a healthy habit stimulated which builds a future market.

In the Montreal district there has for some years past been a surplus of potatoes on the local market in the latter part of the summer. The farmers and one of the chain organizations have worked together. Last summer, in spite of warm weather, this chain, through fea-

turing in the newspaper advertising and in sales letters to store managers, was able to retail from six to seven thousand bags per week during the sales period. The farmers received ready cash for a surplus stock which otherwise would have been difficult to dispose of, and by getting rid of this surplus were insured a better price for the balance of their merchandise.

The point is that the chains, through the nature of their organization, can effect sales under difficult or abnormal circumstances where another type of merchandising organization would be unable to do so. A honey broker, for example, knowing of the existence of a large block of honey about to be pressed upon the market, discussed it with a wholesaler. The wholesaler hesitated to buy such a quantity. "We can't make the retailer sell it," was his objection. The remark suggests the real character of much of what has been intrinsically referred to as "mass buying." Someone, producer or manufacturer, needs to get a quick outlet for a large quantity of goods. The chains, and probably the chains alone, can be certain that a great number of widely scattered retail units will get behind the product and bring it attractively before the consumer.

SELLING THE SECOND BLADE

ALWAYS there has been public approval for the man who could make two blades of grass grow where one grew before, but of late, in major staples like wheat and in less individually important products, it has become evident that there is need for the man or the organization who can dispose of the second blade once it is grown.

It is not possible, or at least not easy, to further stimulate consumption of some lines. Butter is an example. For this there is a big steady demand, and any large sale today will tend to curtail the sale tomorrow. But there are other products, and important products to Canadians, where stimulus can be given and where the chain store is one of a number of factors exerting this stimulus.

Attractive packaging by the grower has been a very powerful influence on increasing consumption. This packaging has become more general and is now done to a great extent in chain store warehouses.

While not of major significance to Canadians, dates offer an interesting illustration of benefits from packaging. A few years ago dates were practically never sold after March.

Now they are carefully handled, steamed, and packaged, reach the customer in attractive shape, and are sold the year through.

It is said that the consumption of dates in Canada has multiplied almost ten times in the last few years and that this is due to a buying habit formed in large part because of the more attractive way in which the goods are presented.

The Canadian grower by adopting packaging has gone a long way toward increasing demand, but to his efforts he must add selling power. The individual merchant has this and often uses it to the full.

The department store has this great selling power.

Members of voluntary chains have the power to bring goods to the public but no compulsion can be put upon the individual members of their association to use this power. The proprietary chains have, therefore, a peculiar ability to serve the grower and manufacturer.

They have the ability to make the goods available to the public over a wide area, and there is in the organization the authority which enables a concerted selling effort by all the units in the chain to build a buying habit.

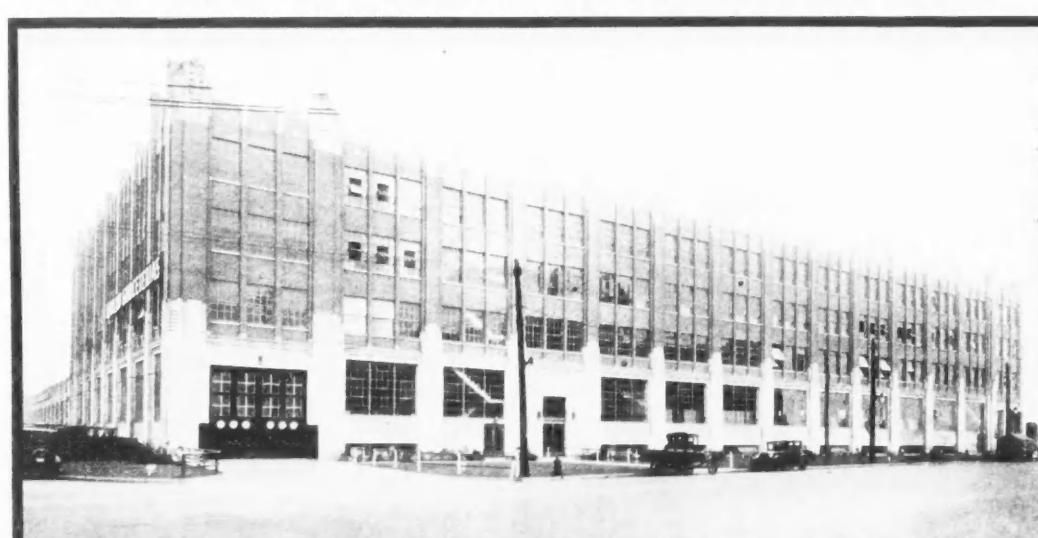
This building of a buying habit is well illustrated by the development in sales of tomato juice.

Frequently one or other of the grocery chains advertises this extensively and offers the product at extremely attractive prices. This is not done to remove a glut, but definitely with the idea of getting more people to use tomato juice so that, acquiring a taste for it, they will become habitual users.

It has been said sometimes, by those who hark back to the olden days, that people are now eating beyond their means. However that may be, it is undoubtedly possible to lead people to use as a regular article of diet what was regarded even a few years ago as a luxury. Fortunately, at the low prices at which food products are being retailed today, such habits do not cripple the family budget as they would have done in earlier times.

Educational work, of great value to producer and manufacturer, is being done by the chains, and fortunately there is an easier acceptance, on the part of

WHERE PRODUCERS' PRODUCTS ARE PREPARED FOR PUBLIC



One of the many fine Chain Store Warehouses in which handling of goods takes place to end of getting these to the public in most appealing condition. This illustration is of the Loblaw plant. It is said to be the largest wholesale warehouse in the British Empire and in it 475 people are employed.

DISPLAYS BRING BUYERS



A fruit display made in connection with an Ontario Farm Production Week—Displays such as this, arranged at the same time in all the units of a chain, have great attention compelling power and, coupled with advertising and store salesmanship, move the perishable goods of the producer to his benefit and to the benefit of the consuming public.

producer and manufacturer, of these suggestions. They realize that these merchandising organizations, being in touch with such a great number of the public, have facilities for finding out what that public will most eagerly accept.

One chain, again operating in the grocery field, tells of an instance where the local farmers were, in their opinion, careless in the selection and packing of their vegetables for the retail trade. This chain started to pay a slight premium over the market price for properly selected carrots and beets, paying a higher price still for the Nante type of carrot which was very popular on the market served by this store's units. The next year it was found that there were at least six farmers ready to supply the type and style of bunched carrots which this chain required for its trade. These bunches equalled or bettered any imported merchandise which could be secured at other seasons of the year and sold at a much higher price than had been the case in previous years. Net result, reports this chain store: "Our sales in these commodities jumped from about fifty dozens a day to around 400 to 500 dozens a day and the farmers were more than delighted."

A chain in the novelty field was buying its brushes quite largely in the United States. This chain got in touch with one of the leading brush manufacturers in Canada, a firm which operates in a smaller town. Showing this manufacturer the kind of goods required to sell within the store's price limit, they discussed the possibility of his making the line. All the brushes used by that chain are now manufactured in Canada. They are made by this small-town manufacturer and they are, the buyer of the chain says, better brushes than he could bring in from the United States.

There is another interesting phase of this brush business. An arrangement has been entered into between the manufacturer and the chain store whereby the chain gives its order during the dull season. The manufacturer is enabled to keep his plant operating during that quiet season. He thus keeps his overhead in check and gives a part of this advantage to the buyer. By getting that large order in the dull season the manufacturer is able to keep the workers employed, and all through what would otherwise be quiet months, a steady flow of wages comes into this town.

From one of the novelty chains comes another story of a new demand created for a new Canadian product. This is a story of candy. It was in 1930 that the buyer found he could not get chocolate-coated peanuts in Canada, or at least in the popular price range which he desired. Samples were brought from the United States. A good manufacturer was interested. This man brought in machinery and started making this line, which is today one of the biggest sellers at the candy counter.

AN UNFAIR MISUNDERSTANDING

THERE is probably no phase of modern merchandising in Canada about which there has been more misunderstanding than that of the financial relationship between the producer or manufacturer on the one hand, and the chain store, the department store, and other large-scale buyers on the other. Here indeed is a fine example of the danger of what

Bill Nye called "the number of things that people know that ain't so." There is talk of manufacturers being "squeezed" by the big buyer, of producers being compelled to take a slaughter price for their commodity. It is possible to see how such talk starts. It is not rare, particularly in times such as these through which we have been passing, for the producer or manufacturer to find himself with an over-supply on his hands which he is extremely anxious to sell. Obviously the thing to do in such circumstances is to seek a large buyer. Obviously the factor in the case which makes this producer anxious to sell must inevitably cause the buyer to realize that he is going to have some special difficulty in getting the goods into the hands of the consumer. He knows that he must make them rather specially attractive. He must offer them at such a price that the shopper will want to buy them. The resulting transaction between the producer and the chain store merchandiser will be a perfectly fair one, and the producer himself will probably be willing to admit that it was a life-saver for him; yet he is likely to feel a sense of regret that he had to sell at such a price, and may occasionally blame the chain store or the merchandising system rather than the special circumstances which compelled him to sell at a disappointing price.

HOW SELF INTEREST WORKS

A POINT that is constantly lost to sight by the critics of the chain store system is the fact that the chain store buyer is profoundly interested in maintaining the continuity of his sources of supply. His own customers are largely creatures of habit. It is far easier for him to go on supplying them with the same type of product, than to re-train them into a desire for a new type of product to replace it. He makes his own task more difficult every time he interferes with one of his own sources of supply. It is definitely to his advantage that the producer should get a price for his goods that will enable him to make a profit and continue the production. Instances of educational and financial co-operation between chain stores and producers, with this end in view, are numerous.

A packer of vegetables and fruits, with a business of only modest size, came to a chain store buyer asking him to place his order in advance of the usual time. He offered some inducements for this concession, but consider the results that he obtained:

(a) With this order from a strong and reputable buyer whose contract could be relied upon, the packer went to his bank and obtained credit.

(b) With the money thus at his disposal he bought the tins needed for his operations, and tomato plants which he sold on time to his growers.

(c) When the crop came along the packer was able to pay the wages to get the canning done. When he delivered the goods to the chain buyer, he immediately received the whole price in cash. This enabled him to pay the growers for the vegetables and fruits, less the cost of plants supplied, and to repay the bank.

THIS kind of co-operation between the large buyer, with his powerful credit resources, and the small packer who would otherwise have little claim to credit at the banks, is what keeps the latter going and prevents the possibility of restriction of trade through the elimination of all but the large and powerful packing organizations. Its value to the growers is well indicated by the words of one such packer to a chain store buyer from whom he was seeking such an advance order: "If you don't give us this early order," he said, "there'll be no money in the district because all activity will be stopped at the source. Do you know that the taxes are all paid when the grower gets his money from us, and the grower gets the ability to produce, in many cases, only because we have his product sold before it is produced."

INTRODUCING NEW LINES

A NOT uncommon instance of educational and financial co-operation between a chain store and a manufacturer relates to a new line of goods wanted by a novelty chain which advanced to the manufacturer the money necessary to buy the tools required to make the product. Some nice calculating had to be done for this transaction. The chain store had to get the goods at a price which would enable it to sell to the consumer within the store's limit. It had to amortize fairly quickly the money laid out to enable the manufacturer to get the tools. But the arrangement was made, and the manufacturer first of all gave business in Canada through buying the necessary steel for the tools and gave wages to high-

(Continued on Next Page)

BROADWAY THEATRE

BY JOHN E. WEBBER

OPERA'S "NEW DEAL"

NO NEED to worry about opera in America. No need to worry that its direction is no longer in foreign hands. Any apprehensions on either score were definitely removed with the opening of the opera season under the direction of the home-grown, new General-Manager, Edward Johnson. We have already pondered in these columns his other approaches to his task and found them wise in that political wisdom he will so much need. The "happy family," the wider field for opera, the democratizing program, the all-round co-operation he has created, evidence that. And, now that the artist's approach has been seen, the wisdom of the choice has been abundantly confirmed in the only field left for misgivings. Doubters who still thought the Met, a task for an artist of the rank of Toscanini or a Stokowski, have had their answer. And, where either of these might have continued (or created) an aristocracy of art in our midst, Johnson is creating a great democracy of, and for, art. That is the real distinction and that he has achieved so much of it in a few short months, is a tribute to his dynamic personality and his democracy.

Opera premieres are always brilliant social events, and this was no exception. As Johnson himself puts it: "Opera on the way to becoming national may be democratic but it need not be dowdy. The audience is part of the gala spectacle." And this was. But it was different. Its social implications were broader, more comprehensive, more animate with youth. Tiaras were gone, (we counted only one) but splendor and beauty still mounted tier on tier above an equally resplendent pit. Ermine still decked the foyers, the Metropolitan Club in hatted ritual was still in evidence, the bar as gay and animated as the swankiest speakeasy in prohibition days. Dowagers may go, we mused, opera ceases to be the luxury of the rich, but democratized opera is safe in the new arms ready to receive it.

The choice of "Traviata" for the first night was a happy one. It gave Bori the right she has so well earned to open the season in one of her best roles. The tunefulness and charm of the old score met precisely the lighter needs of a first-night audience, not on too serious musical concentration, bent. The fine spirit of the performers was particularly noticeable. Orchestra, chorus and cast were out to "make good" for American opera and the new regime. The "happy family" united in one purpose, gave its all. And a more eloquently beautiful performance of the opera, the old Met, has not known, nor a more delighted, responsive audience. Bori rose to superb heights. Crooks, vocally satisfying as "Alfredo," has still something to learn about the Latin temperament, and acting. Tibbets was,



RICHARD HAGEMAN, noted Dutch composer and conductor, who comes to Toronto next week to fill the post of musical director with the Canadian Grand Opera Association. Mr. Hageman was formerly director at the Royal Opera of Amsterdam and has been in America for more than thirty years, during which time he has directed at the Metropolitan, at Los Angeles and Chicago. His first work in Toronto will be the preparation of Verdi's "Aida," to be produced in Massey Hall on Saturday evening, February 1st.

as usual, a tower of strength. Even the American ballet, which also made its debut, need cause no apprehensions. Another generation and it may rank with the Monte Carlo Russians. It gave a spirited and enthusiastic performance and has a promising young dancer in Anna-belle Vitak.

The promise of the opening has been kept in more exacting tests since. In "Die Walküre," wherein Marjorie Lawrence, of Australia, making her debut as Brünnhilde, carried off high honors; in "Aida," which introduced other newcomers, Gertrude Wettergren of the Royal Opera, Stockholm; John Charles Thomas and Chase Baromeo,

"LIBEL"

CORKING is the word for the trial play, "Libel," written by Edward Wooll, brought from London by Gilbert Miller and presented, in all the decorum of an English court, by an all-English cast, headed by Colin Clive. Unless Saturday Night readers have gone National, this ought to be recommendation enough.

Two Canadian and one English officer have escaped from a German camp just before the armistice. One of the Canadians is present as a witness. Is the plaintiff the other,

or is he the Englishman, Sir Mark Loddon, he claims to be? The trial of his libel suit is to answer this question. A newspaper has said: "The legislator recently returned to the House of Commons as Sir Mark Loddon, Bart., M.P., is not a baronet, nor even a Loddon and can hardly be described as a Member of Parliament, as he secured his return by practising on the electorate the same deliberate fraud that he practised on his wife." As the honor of brother officers of the C.E.F. was involved, we followed the case with more than a theatre reviewer's interest. The Canadian ex-, who appeared as a witness, had let us down badly enough. Would the other prove to be the imposter of the charge? A startling resemblance between the two had been admitted in evidence, the sudden disappearance of the double was wrapped in mystery, shell shock had deprived the plaintiff of all memory of his former life. The case against him was plausible enough, the evidence at one point so damning that wife and counsel both forsook him. The cultivated English accent of Colin Clive was our only personal hope. Tattoo marks could be changed, but not that, we argued inwardly. And without divulging more (the ethics of mystery play reporting forbid it) let us say our hope was justified, the honor of the C.E.F. saved. Had it not been so, we would still have to report night of as bristling theatre as we have spent in many a moon. The suspense at times was terrific, the lines of opposing counsel and judge barbed in the best traditions of English courtroom wit and satire. And the cast is perfect. Colin Clive has done nothing better than his well-bred, confused baronet. Ernest Lawford as plaintiff's counsel was a model of polished irony. Wilfrid Lawson, a newcomer, as counsel for the defendant, was poisonous in his humor. Joan Marion, another newcomer, as the plaintiff's wife, was a model of beauty in distress.

Other items of the week were Katharine Cornell's "Romeo and Juliet," on a return visit; Lucienne Boyer's new edition of "Continental Varieties," which you have just seen and, too late, for comment, Helen Hayes in "Victoria Regina."

The successful man was lecturing to an admiring audience.

"I must say," he concluded, "that I owe everything I have to my wife."

"Hey," shouted a tradesman at the back of the hall, "you're not forgetting my bill, are you?" — *Paddington Gazette and Weekly Register (England)*.

An American who recently visited Moscow was placed on an outgoing airplane by the authorities five minutes after his arrival. Publication of his book "Soviet Russia from the Inside" is expected shortly. — *The Humorist (London)*.



HALF-ALIVE from one to five?

IT'S EASY to see when another man is slipping. But it's harder to face it yourself. So it was with Jim. For months, he vaguely realized something was wrong with him. Tasks that he used to take in his stride had become a grind. He dreaded the afternoon hours most. Minutes dragged. Worst of all, it showed in his work.

Sluggish days are often due to common constipation. This ailment has helped to sidetrack many a promising career. It is a great enemy of vigor. Your pace slows down.

Most frequently, common constipation results from meals that lack sufficient "bulk" to exercise the intestines. So many people make the mistake of dosing themselves with pills and drugs that often do more



Enjoy ALL-BRAN as a cereal, with milk or cream. Have your wife cook ALL-BRAN into muffins, breads, waffles, etc. Remember, it furnishes wholesome "bulk." And also vitamin B and iron.

ALL-BRAN is sold by all grocers. Made by Kellogg in London, Ontario.

The natural food that corrects constipation

HOW MASS BUYERS CO-OPERATE WITH PRODUCERS

(Continued from Page Ten)

priced tool makers. Then the manufacturer made the product and the chain store got it out to its units and sold it to the public. The manufacturer afterwards sought and was granted the right to use those same tools to make more of the product to sell to other retail organizations.

There is the instance of a small manufacturer in the women's wear field who has the ability to make goods but little or no financial strength. To this man one of the chains made, and is still making, advances each week to enable the payroll to be met. No strings are put on the man who sells to competing chains and to individual merchants. It is probably safe to assume that his first thought is of the buyer who gives him such important assistance.

A factory in Montreal was in a rather difficult position and was being urged to liquidate. The manufacturer sought an advance order of large size from one of the chains. He got this to the amount of \$5,000, and with that order got going on a better basis; he has since increased the size of his plant three times, and is selling to all the chains in his line, as well as to department stores and individual stores.

To the manufacturer the chain store has rendered another great service, a service which redounds to the general benefit as it stimulates employment, by encouraging the manufacturer to undertake the production of new lines.

A certain type of windshield defroster not made in Canada was wanted by one of the chains. Manufacturer and buyer got together. The resale price to the consumer was considered. Production was undertaken and the new line was sold not only to the chain giving the manufacturer the idea, but to the other chains.

A grade of paint was being bought in the United States. The chain store buyer took this up with one of the best Canadian manufacturers and very soon this firm was supplying all the needs.

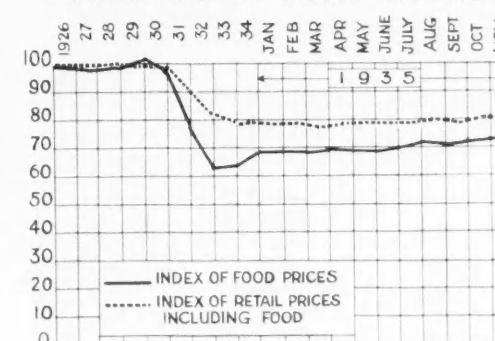
Chain store buyers are carrying on a continual investigation for discovery of goods which they can get made by Canadian manufacturers and which they can sell to their customers. The manufacture of such goods in Canada increases Canada's wage bill and makes for general prosperity.

There was the toy manufacturer who came to a novelty store merchandiser, wanting to sell goods and get money for these the minute the goods left the factory. If this accommodation were not given the manufacturer feared he would go out of business. The accommodation was given and no squeezing down of price took place.

What takes place as between the manufacturer and the buyer of the novelty store is something like this:

The manufacturer says, "I can sell you such and such goods at such a price." The buyer says, "We have to sell those to the public at our regular price. There is too little spread even for us between what you ask and what we must get. Therefore what you offer is out."

PRICES DOWN WITH INCOME



That the consumer whose income was not reduced more than 20 per cent in the depression has been as well off materially as before, the accompanying graph indicates. Wage and salary reductions first became evident in 1930 and it will be seen that the cost of food, and the cost of other goods sold at retail, rapidly declined in the next two and a half years until they stood at over 20 per cent below the 1926 level. Obviously there was no sellers' strike but merchants passed on to the consumer the benefit of lower prices they paid. The fight for volume of sales doubtless accounts for the immediacy of such action.

The above graph is compiled from figures supplied by the Dominion Bureau of Statistics.

After this the conversation proceeds along these lines: There is a consideration of cost of materials and cost of labor. There is a frank anxiety to see if certain savings in material cannot be made which will put the goods within the store's range. If so, a deal is made.

A greeting card manufacturer a few months ago wanted to sell cards to a novelty store at 18 cents a package.

It was too high a price, and the buyer told the manufacturer so. "But," he added, "how many packages did you expect us to buy?"

"Three hundred," said the manufacturer.

"We would be able to buy 10,000," said the chain store buyer.

The manufacturer went away to consider this unexpected turn and came back within a few days with an offer of 12 cents a package.

"No," said the buyer, "the stock in the cards will cost you 12 cents. You can't keep in business and sell at that price. We'll give you 16 cents."

The sequel is even more interesting. The chain store placed the order for 10,000 packages. Before Christmas another order for 10,000 packages was placed. A week or more ago the buyer saw the manufacturer and asked him how he had come out on the business deal.

"Well," said the manufacturer, "if I had been sensible I would have come out fine, but when you ordered that second ten thousand I thought there would be still more and made up an additional five thousand packages which I still have. My profit is wrapped up in those."

These packages the chain bought, to be disposed of next year. It is considered good business to do this to keep the man in operation. The buyer said: "What is the good of us putting a man out of business?" It's hard enough to find men who are making or can make what we need. We want to buy their stuff at a price which will give them a decent profit. From time to time we have to ask them to make changes in their production methods which will enable them to sell us the goods at a price which will make possible our price to the customer, but we should gain nothing by grinding them down to a point where they cannot carry on comfortably."

IN THE SHOE STORE

NOT so many years ago, well within the memory of many of our readers, it was a common occurrence to hear this comment from one woman to another, "I do hate to have to pay such extravagant prices for my shoes. I simply can't be fitted for less than \$10 or \$12. The clerk in Blank's Shoe Store tells me every time I go there that I have 'an expensive foot.' I take a size 8 triple A, and the only Canadian shoes they carry are in wide widths and the good selling sizes."

That wasn't an isolated case by any means, the feeling was general that good shoes had to be American to fit. This fallacy has been disproved, for today some of Canada's best manufacturers actually export shoes to the country to the south.

The Canadian manufacturer was just as capable of making good fitting shoes then as he is today. He was ready and willing to supply the demand, but there was no concentrated volume available. Small orders from the comparatively few high grade merchants were not large enough to cover last and pattern costs, which on the volume available at that time would have meant an additional charge of from \$1 to \$2 a pair. He was certainly not in a position to compete against the American manufacturers from a style and last standpoint. Extra lasts to care for the extreme sizes and ever-changing patterns cost money, and the public would have to pay.

Then came the department and Chain Shoe Store, whose buyer visited American style centres and style shows. There he saw the kind of shoes Canadian women wanted, but there was that tariff barrier to contend with. A shoe retailing at \$5 in the United States would cost the Canadian woman from \$7 to \$8, and that certainly was not good value. So to the progressive Canadian manufacturer he went with brand new styles, fresh from the leading stylists of the continent, and an offer to take thousands of pairs of these shoes if the Canadian manufacturer would make them up. That was decidedly interesting. Samples were made, costs figured and the orders placed for quantities large enough to absorb the cost of new last equipment and patterns.

The shoes turned out even better than the imported shoes, the quality and style made an immediate hit with Canadian women, and because of the quantity order the manufacturer was able to pro-

duce the shoes at a price which enabled the chain stores, the department store and the good independent store, to offer the goods at a low figure.

RETURNING THANKS

CASES are not uncommon of actual changes in the terms of current agreements, voluntarily made by chain managements in favor of the manufacturer. To enable a chain store to sell a certain product in Western Canada, the manufacturer made a small discount on that part of the order which was to be sold through the Western units. After this had been arranged, the chain store officials decided to try a slight advance in the price, although they were skeptical about their success in getting their customers to pay it. A few weeks showed that the public would accept the goods at the new price, and the chain buyer immediately informed the manufacturer that he would receive the full regular price for the goods as they did not need the discount.

A similar action was recently taken in regard to a hosiery manufacturer under much the same circumstances. The chain claims no altruistic motives in these cases, and merely say that it is good business to be fair to manufacturers who are fair to you; that they do not want manufacturers to work on such a narrow margin that they cannot make money, and that in territory where freight rates make goods more costly, it is better that the public should pay a little more than that the manufacturer should have to operate without any real profit.

Space does not allow of any detailed discussion of one special and very valuable service which the chain store renders to a certain type of manufacturer. It provides him with a sort of experimental laboratory in which he can test the saleability of a new product. For the purposes of these experiments, there must be a sufficient number of retail outlets to dispose of a worthwhile "run" of the product, and to give results covering a number of different kinds of communities and districts. To arrange such outlets through the ordinary channels of wholesaler and individual retailer would be a matter of innumerable separate negotiations. Even then a properly timed and unified campaign of advertising and display would not be possible. The chain store is the ideal mechanism for such an experiment. The chain managements, moreover, are very favorable to the making of such experiments, for they are anxious to cater to the curiosity, the constant desire for novelties, which is one of the most potent forces in bringing people into their stores.

THESE articles on the Chain Store's place in modern merchandising are the conclusion of a series aiming to give Saturday Night readers a correct picture of this important factor in distribution. In the presentation of these articles Saturday Night has had the co-operation of leaders in the chain store field.

SATURDAY NIGHT

SECTION II

PEOPLE » TRAVEL » FASHION » HOMES » LETTERS

TORONTO, CANADA, JANUARY 18, 1936

NATIONAL GALLERY HAS MUCH ART, LITTLE MONEY

BY G. CAMPBELL MCINNES

WHEN the Marquess of Lorne founded the National Gallery of Canada in 1880, he probably hoped that his favorite child would one day blossom forth into a vigorous and healthy manhood, and in so doing render valuable service to art in Canada. But it is doubtful whether he could have foreseen its truly remarkable growth and its pioneering work in the realm of the visual arts, any more than the way in which its development was to be hampered at every turn by inadequate facilities and lack of money.

In this respect the history of the Gallery is very paradoxical; and while it is a source of admiration and wonder that it should have done so much with so little, one cannot help thinking how much more could have been done, and can be done, were it given the support and the home that it deserves.

IT SEEMS to be in the nature of things that art is one of the last matters to be considered in any appropriation of funds and one of the first to suffer when they are curtailed. People are perfectly willing to admit that no nation ever achieved greatness without a great art; but somehow, since art ceased

First row, "The Rest on the Flight" by Veronese (Paolo Cagliari). An outstanding example of high Renaissance art from the Venetian School, in the National Gallery.

Second row, left, "St. Francis and a Monk", by El Greco (Domenico Theotocopoulos), 1542-1614.

Right, "The Jack Pine", a characteristic work by the Canadian artist, Tom Thomson, 1877-1917.

to be a species of communal expression, most of them feel that though it may be a "good thing" to have art galleries and what not, their support of the idea should stop short of concrete financial assistance.

Perhaps if it were realized that our National Gallery is doing work which, by the encouragement of art and its appreciation, is raising Canada in its own eyes and in those of the world, people would be willing to assist it to more than the extent of a quarter of a cent per person per annum, which represents their present contribution. Though the expenditure of millions of dollars on roads, bridges and other material amenities cannot with justice be deplored in a young and expanding country, it is reasonable to suppose that the contribution of even a postage stamp by each Canadian to the encouragement of work which will be seen and admired some centuries after we have all disappeared, would not be amiss. China, Syria and Egypt preserve in their art records of whole dynasties whose very names are now obscure and fragmentary. It is perhaps not fanciful to suggest that through the activities of the National Gallery, as much as by any other means, we may one day be remembered; for art is one of the few permanent forces in an impermanent world. To which may be replied, as Horatio did to Hamlet, but without destroying the Dame's contention or mine, "To think thus were to think too curiously."

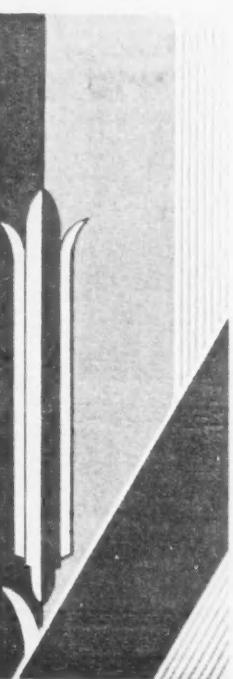
AT ITS inauguration, the Gallery's meagre and ill-assorted collection was housed among stuffed fish in a small barn-like

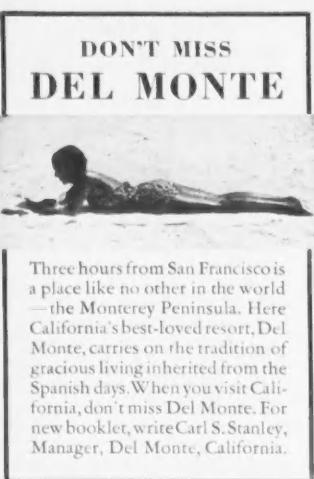
Third row, left, "Job in His Misery", by Jan Lievens. A work by an artist who for some time shared a studio and worked in close association with Rembrandt. This work was presented to the National Gallery by the National Art-Collection fund of Great Britain, in recognition of the Gallery's outstanding services on behalf of the visual arts in Canada.

Right, "Georgian Bay", by E. Horniman Varley, A.R.C.A. A striking work by one of the members of the Canadian Group, which, though acquired by the Gallery some time ago, has been rarely reproduced.

building attached to the Supreme Court. Today, its magnificent Old Master Collection (one of the finest in America, and whose mere monetary value exceeds \$2,000,000) and

(Continued on Page 19)





WEST INDIES CRUISES

PANAMA, SO. AMERICA

Columbus

JAN. 25 — 15 DAYS
La Guayra, Curacao, Cartagena, \$195 up
Colon, Kingston, Havana

New York

FEB. 1 — 18 DAYS
Martinique, Barbados, Trinidad, Grenada, La Guayra, Curacao, Cartagena, \$210 up
Colon, Kingston, Havana

FEB. 22 — 18 DAYS
Same Ports and Rates as Feb. 1 Cruise

MAR. 14 — 15 DAYS
La Guayra, Curacao, Cartagena, \$177.50 up
Colon, Kingston, Havana

Reduced R. R. fares to and from
New York for these Cruises.
Ask R. R. Ticket Agents, or
Your Local Travel Agent, or

Hamburg-American Line North German Lloyd

For free brochures and full information write
Dept. S. N., Traveler's Trade Development Board
1000 Sun Life Bldg.,
Montreal, Quebec, Canada



land of the smiling tropics — where towering mountains rise from emerald seas — where the climate is perfect, right through from November to April.

Sports galore — enchanting scenes — entertainment and dancing — historic lore — splendid, modern hotels — or cottages to rent if you prefer — excellent steamship and air service.

For free brochures and full information write
Dept. S. N., Traveler's Trade Development Board
1000 Sun Life Bldg.,
Montreal, Quebec, Canada

JAMAICA

PEARL OF THE SMILING CARIBBEAN

'Neath the
BLUE MOUNTAINS



of
JAMAICA

Join the Winter colony at lovely Constant Spring Hotel, situated in its own 10-acre estate, with 18 hole golf course. A great outdoor resort, with 1000 acres of delightful land, every room with bath and private porch. Swimming pool, tennis courts, racing, polo, riding, fishing. For rates and reservations write to

GEORGE G. HUSSEY, Manager

403A Sun Life Bldg., Montreal, Que.

CONSTANT SPRING HOTEL
Jamaica, B.W.I.

—Ports of Call

JOY-OF-LIVING CRUISES

BY CHARLOTTE E. KYLE

MANY cruise schedules this winter have been changed to avoid the Mediterranean and the Suez Canal, so that tourist travel for 1936, as far as luxury cruising goes, for the most part will divide itself between the popular well-traveled World Cruise belt and the equally popular West Indies. With this in view, the Canadian Pacific has arranged five ambitious cruises to the West Indies of from 10 to 18 days, starting from January 23rd, by the Empress of Australia. This ship has undergone several structural changes in England to fit her for these new itineraries. A permanent tiled swimming pool, increased deck space and a Lido Café have completely transformed the 21,000-ton, three-funnelled liner. "A" deck has been enlarged, a sheltered promenade on "P" deck installed, and the spacious café facing the open-air pool, will be gay with umbrellas and lounges dotted about for the sun bathers, and in addition, provision has been made for a full-size deck tennis court.

The romantic atmosphere of the ports visited and their historical significance increase the joy of these winter cruises. Of course, there are no more pirates, and little, if any, buried treasure. The treasures come in the lure of sun-kissed seas, the beauty of coral isles, the charm of tropical life and the memories of Drake, Cortes, Columbus, Morgan, Kidd and Ponce de Leon when they sailed the Spanish Main! Even the place-names of the ports are enough to lure you: Martinique, outpost of France and birthplace of Josephine; Trinidad, the land of the humming bird; Curacao, a little bit of Holland in the Spanish Main; Nassau, in the Bahamas, the "Isles of June" and so on.

THE IDEAL SEASON

CONSIDER spending the last week of January sailing to the West Indies from New York, with the last few days of the month in sunny Martinique. The gay voyage includes concerts, deck sports and dancing, and you are in complete readiness to enjoy the romantic ports of call ahead. The first port one visits is St. Pierre, Martinique, discovered by the Spanish in 1493 and colonized by the French in 1635. Its tragic history, the devastation by the volcanic Mont Pelee in 1902, has turned the once fine town, built on the sides of the mountain, into ruins, still fascinating and sombre... contrasting strangely with the glorious beauty of the tropical setting, Fort de France, the capital of the

coast. It is here that most of the shopping for souvenirs and gifts is done, for perfumes, liqueurs, embroideries and lace at alluring prices can be purchased. The capital of Curacao is Willemstad, "A little bit of Holland," for its environments and architecture are almost an exact replica of the Netherlands. The population of the island is about 35,000, and the language is called Papiamento, being a mixture of Dutch, Spanish and Portuguese.

Panama is next on the itinerary, and little need be said here of the marvel of engineering and perseverance, such is its fame. In days gone by came the Spanish gold trains

IN OLD PANAMA. The mighty canal is not the only attraction to visitors to the isthmus. Ruins of the splendid buildings of former periods, such as the cathedral tower above, dot this romantic land.

—Photo courtesy Canadian Pacific.

SAILING NORTHWARD

A DAY and a half sailing in tropical waters finds the ship at Havana, Cuba, the "Pearl of the Antilles," the largest island of the West Indies. Occupying a lengthy peninsula and backed by an amphitheatre of hills, the glittering capital of Cuba is a city of beauty and gaiety. Havana's promenades, clubs and cafés are rendezvous for pleasure-loving crowds at all times. Living a life that is carefree, and the invitation to join in this gaiety is apparent the moment the ship docks. Now to a spot of perpetual sunshine and romance, a coral strand with white walls gleaming amid coconut palms and silk-cotton trees... Nassau in the Bahamas. The native life intrigues the visitor; the fish market and sponge exchange, and the undersea gardens, all make you linger. Nearby palm-sheltered nooks are forts famous in piratical legend. Now all is harmony. Last on the homeward voyage are the Bermudas, a cluster of 360 isles, by tradition the scene of Shakespeare's "Tempest." No description can adequately convey the exquisite coloring of the surrounding waters, the white coral houses etched sharply against dark cedars and palms, magical eaves that must be explored and the coral roads. Hamilton, ideally situated overlooking the bay, is the capital.

• • •

TRAVELERS

Mrs. Blair Birckett and her little daughter, who have been the guests of the former's parents, Mr. and Mrs. H. A. K. Drury, in Ottawa, has sailed on her return to her home in Manchester, England.

Mr. and Mrs. E. H. Coleman have returned to Ottawa from Winnipeg where they were the guests of the latter's parents, Mr. Justice and Mrs. H. A. Robson.

Mr. and Mrs. F. F. Dalley, of Anerster, Ont., and their two sons, Mr. F. F. Dalley, Jr. and Mr. S. G. Dalley, have been spending some time at the Forest Hill Hotel, in Augusta, Georgia.

The Hon. G. Howard Ferguson and Mrs. Ferguson have sailed in the Empress of Britain en route to South Africa. They expect to be away three months.

Mrs. Lyman Black, of Winnipeg, is the guest of her husband's mother, Mrs. George Black, M.P., in Ottawa.

Mr. and Mrs. Edgar N. Rhodes, Jr., have returned to Ottawa from their honeymoon, spent in Havana, and are the guests of the latter's parents, Colonel and Mrs. George Patterson Murphy.



A LITTLE BIT OF HOLLAND in the Western Hemisphere is Willemstad, capital of Curacao. Here is the waterfront scene, with a cruising liner in the background and the tidy Dutch buildings lining the quay.

—Photo courtesy Canadian Pacific.

enjoy, is reached by motor over the mountain.

The ship sails on to Trinidad which is the most southerly of the West Indies. This time of the year the climate is at its best and the island is often called an equatorial paradise, and referred to also as the Riviera of the Caribbean. Here a new thrill awaits you, for Port of Spain, the capital, is a city of amazing contrasts. It lies on a semi-circular plain backed by beautiful hills, and bell-shaped domes of snow-white Hindu temples gleam amid the weathered huts of coolies. The Savannah Government House and Botanical Gardens with its hedges of red hibiscus, poinsettias, rare orchids and tropical climbers, St. James Village (Garden Town) and the large coconut plantations are all worth the trip.

Another day's delightful sail along the island-dotted coast and the ship stops at Venezuela, which is "Little Venice" to the navigators and to the tourist. It happened to be according to history the first part of the mainland sighted by Columbus, and vivid stories are told of days of piracy and slavery. The life is typically Spanish, even to the arena for bull fighting.

MOUNTAIN HIGHWAY

CONNECTING La Guira and Caracas is a concrete highway of 23 miles, yet the distance by airline between the two cities is only six miles. The road is a fascinating one, along the brows of precipices, zigzagging to a height of 4,000 feet before descending into Caracas which is 300 feet above sea level. This lovely city nestled in a valley of the Andes in the midst of rocky peaks— a fitting stage for such dramatic tales as are told of centuries gone by.

Then westward to Curacao sails the luxury ship. This is the largest of the three coral islands which constitute the Dutch possessions off the



IN BEAUTIFUL KINGSTON, pride of Jamaica, travelers to the West Indies find one of the high spots of pleasure cruises. Above is the palm-lined entrance to the Myrtle Bank Hotel.

—Photo courtesy Canadian Pacific.

ENO'S
"FRUIT
SALT"

Best for Children
No Nausea — no griping
Tastes Good! Sure! Safe!

YOUR PLACE
IN THE SUN

Come to sun-swept Nassau, Bahamas, on the edge of the Caribbean. All your cares will vanish in this atmosphere of nodding shade palms, blue lagoons and the charm of the sub-tropics.

Golf—swim from coral beaches in sunshine or moonlight (electrically illuminated at night for smart bathing parties, too)—enjoy winding bridle paths—game fishing amid the islands. Attend horse races where pari-mutuels are government supervised. Visit historic sites. Thrill to beautiful scenery. Relax! Revitalize!

Excellent hotels and attractive cottages. Come now—for a week—a month—or all Winter. Season from November to May.

Consult your travel agent or write to

Canadian National Steamships—Montreal and Boston
Canadian Pacific Steamships—Montreal and Toronto
Clarke Steamship Co., Ltd.—Montreal, New York and Miami
Cunard-White Star Ltd.—Montreal, Toronto and New York
Furness, Withy & Co., Ltd.—New York and Bermuda
Mansfield S.S. Line—New York and Miami
Pan-American Airways—New York and Miami

The Development Board

NASSAU
BAHAMAS

Service
IN A CLASS BY ITSELF

PANAMA LIMITED



"I have never seen anything to compare with the service on the PANAMA LIMITED... food on the dinner is the best ever eaten... extraordinary courtesy shown passengers... the service is in a class by itself... anywhere." Eager words from an exacting traveler—a veteran business executive, whose duties require much riding to and fro on trains. This voluntary message speaks with finality—it marks a superlative train—in a class by itself—the PANAMA LIMITED—overnight to sunshine in

New Orleans AND THE BEAUTIFUL MISSISSIPPI Gulf Coast

All-Pullman—all-luxury—air-conditioned throughout for absolute cleanliness and comfort. Bedrooms—single or en suite—Beautiful lounge and observation cars with radio—"Meals Supreme." Special service charge. Only 20 hours from Chicago—Lv. Chicago daily at 1:00 p.m.

Reservations, information, tickets
Canadian Pacific Building
60 Yonge Street, Toronto, Ont.
Phone Elgin 8880

Two Fine Companion Trains

THE CREOLE
Leave Chicago - - 9:00 a.m.

THE LOUISIANE
Leave Chicago - - 6:05 p.m.

• TUNE IN STATION WWJ
DETROIT AND NBC NETWORK
8 P.M. E.T. EVERY SUNDAY FOR
DELIGHTFUL ENTERTAINMENT

ILLINOIS CENTRAL
THE ROAD OF TRAVEL LUXURY

TRAVELERS

Mrs. Hubert Prevost, of Montreal, is the guest of her parents, the Lieutenant Governor and Mrs. E. L. Patenaude, at Spencerwood, Que.

Colonel and Mrs. W. G. MacKenzie, of Oakville, Ont., have sailed from Los Angeles by the Monterey for Auckland, New Zealand.

Mr. and Mrs. Edward Rawlings, of Montreal, are spending some time at Casa Blanca Hotel, Montego Bay, Jamaica.

Major General W. B. M. King, of London, England, who has been the guest of his sister, Mrs. Eston Fletcher and Mr. Fletcher in Winnipeg, is now visiting in Eastern Canada and will not return to England until the spring.

—London Letter

THE BRIGHTER NEW YEAR

BY P. O'D

Dec. 30th, 1935.

THE day after tomorrow being New Year's Day, it is high time that I devoted some thought to my good resolutions for the ensuing year—or the ensuing day and a half, as the case may be. But what of that? 'Tis better to have made and bust, than never to have made at all.

Apart from certain resolutions of a purely private character, having to do with such things as alcohol, tobacco, and second helpings, it is my intention to be much kinder in my attitude towards men and events during 1936 than I feel I have been during 1935. But then, of course, what with Mussolini and Hitler, the Japs and the droughs, the Peace Plans and all the rest of it, 1935 was a year in which the milk of human kindness tended to form into sour curds.

But 1936 is going to be much better—every day in every way better and better. Even the weather is going to behave. And trade is going to start booming. At last we shall turn that corner which we have been trying to turn for the last six years. Heaven only knows what we are going to run into on the other side, but anyway we are going to turn it.

Altogether, 1936 promises to be a much nicer year than its immediate predecessors. So, at least, the prophets are assuring us in the Press and elsewhere; and when prophets grow cheerful, the rest of us can certainly afford to buck up a little. We can also afford to be more genial in our general attitude towards the world.

I shall therefore endeavor to think well and speak well of everybody—even of the Duce and the Führer. After all, what orators those fellows are! And how impressively they pose! I shall try to think of Mr. Baldwin as a statesman, not only of wide vision, but also of dauntless resolution. I shall try even to be convinced by his explanations. And as for Sir Samuel Hoare, now happily engaged in cutting corners on the ice in Switzerland, instead of in the council chamber in Paris, I shall try to regard him as a man inspired by a pure and exalted passion for justice.

It is, in fact, my present intention to be an extraordinarily nice fellow, tolerant, serene, and unfailingly kind. I shall try to think well even of the income-tax collectors and all the other people who in a few days will be sending me bills—and will go on sending them. Christian charity can hardly go farther than that.

TALKING of nice, kind fellows reminds me of Mr. Max Beerbohm, who may be very nice, but who is not especially kind. But then, of course, it is hard to be kind and witty, and Mr. Beerbohm is nearly always witty. Possibly, however, he also is making good resolutions for the year to come, though I am not sure it would be a good resolution in his case. Kindness may be a rare thing in the world, but it is far more plentiful than a wit like his.

He is at present in London on one of his triennial visits, and last night he gave a broadcast of his impressions of the London of today, as compared with the urbane, leisurely London of his youth. One gathers that he does not approve of this new London. He describes it, in fact, as "a bright, cheerful, salubrious Hell."

"London," he complained, "has been cosmopolitanized, democratized, commercialized, mechanized, standardized, vulgarized so extensively that one's pride in showing it to a foreigner is changed to a wholesome humility."

He admits that "in some ways it is a better place than it was in my day and in days before mine," but he mourns for "the demure poetry" of that lost London of Edwardian and later Victorian times. Especially does he dislike the modern flat-buildings and office-buildings which are replacing so much of the older architecture.

"When one thinks," he said, "of the significant houses, the old habitable homes, that were demolished to make way for them, then one's heart sickens and one's tongue curses the age into which one has survived."

And he imagines the distinguished artists and writers, who were charmed by the London of the past, returning in spirit and asking him to conduct them around the London of today. It would be a most awkward dilemma.

"I suppose I should, with vague waves of the hand, stammeringly direct them to their graves."

But London is not so bad as all that, and nobody knows this better than Mr. Beerbohm himself. He is just being Max, detached and dapper and gracefully ironic. Even about Rapallo, where he has lived for the last quarter of a century, and about conditions in modern Italy he might have things equally biting to say—or much more biting. But not, of course, if he wishes to return there. London may have its faults, but it has still the supreme merit that you can say what you like about it without finding yourself in a concentration camp for captious critics.

LONDON'S stageland has lost one of its most romantic figures—probably its most romantic—in Robert Loraine, who died a couple of days ago. He was an actor who played the hero, not only on the stage, but off it as well. What is more, with his handsome face and fine voice and presence, he looked it, too. He was a most gallant fellow. He was also a very good actor—and not merely a romantic one, as his work in some of Shaw's plays and in Strindberg's "Father" abundantly proved.

My own recollection of him goes back—about thirty years, alas!—to one of his early appearances as John Tanner in "Man and Superman." He first played the part in New York, and then made a brief Canadian tour in the course of which I saw him. I have never forgotten it. It was a gorgeous performance, full of a vitality and charm that swept everything along. Other actors may have got more subtlety and significance out of the long speeches which Tanner had



THE LINDBERGH LAND IN ENGLAND. Colonel and Mrs. Lindbergh and their son, Jon, carried by Col. Lindbergh, landing at Liverpool from the freighter, "American Importer".

to make, but no one else ever got so much fun out of them. And I have always been sufficiently a Philistine to feel that Shaw's fun is a great deal more important than his philosophy.

Robert Loraine came of an acting family, and his own career on the stage began at the mature age of thirteen. By the time he was twenty he had been engaged by George Alexander to play at the St. James—the sort of opportunity for which many a young actor would have given his soul, supposing he possessed such a thing.

And yet, a couple of years later when already well on the way to becoming a London favorite, Loraine cracked it all and went off to the Boer War, in the course of which he won the Queen's Medal with three clasps. He made the same prompt and heroic decision in the beginning of the Great War, when he joined up at once with the Royal Air Force. He was already famous as a pioneer aviator, one of his chief exploits being his flight across the Irish Sea in 1910. That may not seem much of an achievement today, when aviators hop across the Atlantic as if it were an irrigation ditch, but twenty-five years ago it was a very different business.

Loraine, as a matter of fact, might very easily have lost his life, for he crashed just off the Irish coast and had to swim for it.

There is no space here to tell of his exploits during the Great War. It is enough that he came out of it, not only with the rank of Lieutenant-Colonel, but with the M.C. and D.S.O. "for conspicuous gallantry and skill."

Then back to the stage again to one of his greatest successes, as Cyrano de Bergerac. It was a part which suited perfectly his romantic temperament. And now at the age of fifty-nine he has succumbed to a comparatively slight operation for quinsy! It seems almost incredible that such splendid vitality could be so easily quenched.

AT THE moment there is an intense public interest in the arrival of the Lindberghs, which is expected to take place in a day or two. It is perhaps regrettable that there should be this excitement. They have come to England for seclusion as well as seclusion.

curity, and one would have liked to see them allowed to land with no more fuss being made about them than if the distinguished airmen were merely the leading hardware merchant of his home town.

Unfortunately, this is far too much to expect. English human nature is not fundamentally different from the other brands of human nature, in spite of the traditional respect for the privileges of privacy. Colonel Lindbergh is a very famous young man. Besides, the tragic circumstances back of this visit have aroused, not only an intense public sympathy, but also a very natural curiosity.

As a result the newspapers are filled with accounts of the progress of the ship on which the Lindbergh family is sailing, and with extensive and mutually contradictory descriptions of his place of residence and plans while here. Moreover, it is to be feared that, when he does arrive, he and his family will have to face whole batteries of cameras, and to answer a great number of questions—not all of which will be in the best of taste.

All that is very regrettable, especially as people in this country have a high reputation for a decent self-control in such matters. But Colonel Lindbergh will be well advised to accept the situation, however disastrous to him, to meet the photographers and the reporters, and to give as full an account as he can of his plans and intentions. He will then have ceased to be a potential "scoop," and will be able to retire to a privacy as complete as his tortured nerves and those of his wife may require. There is no place in the civilized world where he and his family could be safer from intrusion or from menace of any kind.

But there must be no "shrouding in mystery." That would be a fatal mistake. Colonel Lindbergh has always been a remarkably level-headed young man. He is not likely to make it.

• TRAVELERS

Mr. and Mrs. R. L. Fairbairn have returned to Montreal from a cruise to Dominica.

Mrs. Charles Fisher, of Victoria, B.C., is the guest of her father, Mr. Berkley Powell, in Ottawa.

Mr. and Mrs. Clive Dobell have returned to Sherbrooke after spending two weeks with their son, Mr. Curzon Dobell and Mrs. Dobell at Dorval, Que.

Mrs. Constance Wilson Samuel and Mr. Montgomery Wilson, who will represent Canada in the ladies' and men's single figure skating competitions at the Olympic Games in Garmisch-Partenkirchen, Germany, in February, and Miss Louise Bertram and Mr. Stewart Rebarn, who will represent Canada in the pair competition, have sailed for Germany.



A Woman Plans Her Home

WHEN building your house, you employ an Architect to put your ideas in the form of plans for the guidance of the builder, and the Architect supervises the construction.

It is equally important, when you are making a Will, to seek expert advice and to appoint an experienced and reliable Executor to carry out your wishes.

We do not draw Wills, but our officers are always ready to advise those intending to appoint us Executor, and to give the benefit of our long and diverse experience in Estate management.

Our booklets on Wills will be sent if you will ask or write for them, and will be found very helpful in planning or revising your Will.

"A Woman and Her Will," "Some Remarks on Wills,"

"Practical Hints on Making Your Will."

8523

THE ROYAL TRUST ©

EXECUTORS AND TRUSTEES

President: Sir Charles Gordon, G.B.E. Vice-Pres.: Huntly R. Drummond
General Manager: R. P. Jellett

59 Yonge Street, Toronto

105 St. James Street, Montreal

Branches throughout Canada, in Newfoundland and in London, England

Agency: CHARLOTTETOWN, P.E.I.

ASSETS UNDER ADMINISTRATION EXCEED \$756,000,000



...and Oldsmobile still leads as
THE BIG NEW CAR THAT HAS EVERYTHING

HERE is convincing proof that Oldsmobile is giving the Style and Performance—Comfort and Safety—Value and Economy—that Canadian motorists want.

1. Canada bought six times as many Oldsmobiles last year as in 1933.
2. Oldsmobile has climbed from 9th to 5th place in volume of sales.
3. Sales of the 1936 Oldsmobile are today soaring to new records.

Now is the time to get acquainted with Oldsmobile—"The Car That

Has Everything". You'll see a fresh new version of that widely popular Oldsmobile style, which is talked about so favorably everywhere. You'll find that Oldsmobile incorporates every modern fine-car feature.

And, behind the wheel of a 90 H.P. Six or a 100 H.P. Straight Eight, you'll experience new luxurious riding comfort—new exhilarating performance—and new safety.

Compare Oldsmobile's new low delivered prices . . . and the 7% GMAC Canadian plan which offers greatly reduced time payments.

PRICED FROM \$1065 (6 cyl. Coupe) delivered, fully equipped at factory, Oshawa. Freight and Government Registration Fee only extra.
8-cylinder models begin at \$1298 at Factory, Oshawa.

Consider
the Company
Back of the Car



O-46

THE DISTAFF SIDE

BY MARIE CLAIRE

ONLY dogged pessimism induces us to disbelief in spring on a day like this. The air is soft—a gentle rain runs down the gutters—the flower shops are full of daffodils, narcissi and tall pussy willows (imported). We should certainly prepare to have 'em off tomorrow, if we ever wore them nowadays. But in our heart of hearts we know that spring is not yet. A January thaw has misled better minds than ours ere this. Discretion suggests our looking at the coal bin rather than the early straw hats—aspirin will probably be more in demand next week than sulphur and molasses.

WE HAVE spent a shocking amount of time this week reading and re-reading Dorothy Richardson's newest contribution to the "Pilgrimage" series, "Clear Horizon." Miss Richardson, in case you do not know her of old, is one of the later exponents of the Henry James Keel-Hark-Scholes, very obscure, very highbrow, very arty—her characters entirely devoted to introspection and sensitivity to one another's reactions. Strangely enough, although her sentences are so involved as to be practically unintelligible on the first reading, her heroines' thought processes are interesting, and some may even think them worth while. But all this too seems curiously old-fashioned in the clear light of good modern English prose.

It was with considerable relief that we turned from doing our duty by the selected intelligentsia to the pursuit of "Older People," by that intelligent journalist and author, Hector Beltho.

He probably read and enjoyed his biography, "Albert, the Good," published a couple of years ago. "Older People" is a miscellaneous collection of interesting facts and fancies about interesting people, which sounds not unlike *Little House*, but is entirely more informative and more easily going.

Some of it will surprise you, how extractive, for instance, to learn that Mr. Glascoche himself tried to drown Marin Tempest from 2000 on the stage. There are plenty of stories to suggest your own. We liked particularly the Adele Cleary generosity with the sweep's eve dinner. Mr. Beltho, too, had to put himself in the shoes of the poor fellow who ate the last oyster, but found his solitude so full of all the lugubriousness of old age, he had to leave it.

And the story of Fred Elgin, who always dresses horses as he himself does. Review in them. A servant who ate the Review with an important cable from the India office. The last, and the very last, of the series, shows that I am back again.

There are other stories, too, of interesting people, too, a presumption in the last sentence, written for Prince Albert of Queen Victoria, which she was a little off her form, address and the most unromantic, as in the right and left corners, respectively, and cases when we were very young through Mother's influence, put us on through the same, where we should never. Do you know, Misses, that 1936 is the year of the Windsor, a year of old and beauty? Presented.

In Mr. Beltho, as in the last

by Anthony Powell, and better put to words in the last, are the best New Zealand. Above the English idea comes from the same old source, in some of the old-time British Broadcasts.

SECOND FLOOR

they walked out on. Miss Pons held them as long as she went on singing, but her picture had to work its somewhat labored way to a pleasant domestic conclusion without a good many of them. There is one little scene, however, you must not miss as attractive as any we have seen on the screen for years. Watch for it. Annette (Miss Pons) has just awakened, and been thoroughly told off by the stupid but good-looking young American composer (Henry Fonda) for marrying him when he was far from sober the night before. Climbing dejectedly off the sofa where she has spent the night, she puts her very small feet into a very large pair of men's slippers and crosses the room with her back to the camera. A more tormented or engaging little creature it would be hard to imagine. The whole audience responded with a cheer. For that, a highly-trained seal, and the Bell Song from *Lakmé* in which her voice records miraculously, you had better see "I Dream Too Much."

THERE is a new gadget on the market now that seems destined to improve home life. It is a sleek, modern, non-electric aluminum coffee pot called a "Dripulator," put out by the *Womexco* people. Experts like C. of the food column tell me there are really only two fool-proof methods of making good coffee and both involve the drip idea. One is with those fascinating but complicated glass-globe machines, the other with a drip percolator.

Unfortunately the glass globe outfit is entirely beyond the patience or comprehension of the average cook. It is a time-consuming, complicated and a good many people, like ourselves, prefer their coffee ready in the silver coffee pot. To such this new affair should appeal.

It consists of three simple pieces which fit together very cleverly, even the nice black, fireproof, bakelite handles interlocking smoothly; a top container nested off in cuts to hold the boiling water which drops through a few tiny pipes into the coffee pot in a punched container below, and beneath that a deep section to hold the finished product. The amount of coffee is clearly indicated as well as the water. The whole thing is streamlined and plants a proper bit of equipment for an up-to-date kitchen. Better have a look at it.

AFTER-CHRISTMAS stories will still keep turning up. This will perhaps touch the sympathetic hearts of a few of our readers. It is a strictly feminine story and only true to

The family of a small girl who is going to be married here this month, being advised to make her last Christmas at home a particularly pleasing one (me to have happy days, to remember) encouraged her to make up a list of the presents she would like. Anyone who has ever been a bride will understand why, among other less utilitarian desires, the girl included undergarments on her list and among these a girdle. Pleased with the practicality of the child, her Mother bought her a girdle but forgot to mention the fact to an Aunt who saw the girl and also bought one. Her Sister, knowing the particular brand of Laster, and sure they both favored, bought her one too. Her mother shared the list and taking it to the smartest shop in town asked the price of girdles (in a capital G) and being told they had bought that seemed very expensive, ordered one blind, and when asked the hoy's size said she was a 34, he believed, and hurried out of the shop.

On Christmas morning the girl had quite a time. She had decided a couple of days before that the girdle she was wearing was really too stodgy to last the zone and bought herself a new one. She took the fanned, blanched waistline and back to the shop in an attitude too intenting to turn it in on those ladies. They were very sorry but they could only exchange it for another girdle. Bitterly weeping, she turned away like Tennyson's Edward Grey and I wouldn't be a bit surprised to hear she is still lying down in a dark room with a cold cloth on her eyes.

The lines I have chosen to illustrate the above points are not exact.



ON CRUISE. Mr. and Mrs. C. L. Burton, of Toronto, snapped on board the "Empress of Britain" on her recent West Indies cruise.

AMERICAN MAGAZINES

BY EDMUND T. NESBITT

REGARDING the handicaps under which Canadian publishers produce their magazines, I do not think it is generally realized that the million of copies of American magazines that are imported into Canada every month contain not one but three finished products which are now "duty free." Whether all three of these products may be considered as "manufactured" goods is open to some doubt. They are (1) printed matter (2) fiction, or other literary content, and (3) advertising space. (The covers, index, etc., are printed matter.)

The American manufacturers purchase about \$10,000,000 worth of space each year in that portion of the circulation of American magazines which is now to enter Canada free of duty. After this space is ordered and the publication of each issue of each magazine is guaranteed, the American publishers then fill up the remaining blank space with fiction, or other reading matter. The advertising space is then filled with printed matter, the reading matter is then printed, and the final assembly is bound together and shipped across the border duty free. And the Canadian reader pays to read it.

The point I wish to emphasize is that if the advertising space was dutiable in the proportion that other foreign manufactured products are dutiable, a very large revenue would accrue to the Canadian Government. The same, of course, applies to the reading matter, but since this matter is worth far less than the advertising, it is relatively unimportant, except in the manner in which it causes Canadians to purchase a foreign product in preference to a Canadian product.

WHEN Premier R. B. Bennett imposed a duty on American magazines a few years ago, he based the levy upon magazines containing more than thirty per cent of advertising or some such generous valuation.

Just why twenty-nine per cent, or about \$5,000,000 worth of advertising should have been permitted to come into the country duty free each year was not made clear.

The lines I have chosen to illustrate the above points are not exact.



REDUCTION OF

25%

ON PERMANENT WAVES

(ZOTOS EXCEPTED)

Have a permanent wave now, and your hair will look its best for your new Spring hat. The Beauty Salon will give you one that will enable you to arrange your hair in a variety of styles. Note the prices:

End Curls, Reg. 5.00. Reduced to 3.75.
Eaton Special Permanent, Reg. 7.50. Reduced to 5.60.
Naturelle and Eugene Permanents, Reg. 10.00. Reduced to 7.50.
Antoine and Piero Paris, Reg. 15.00. Reduced to 11.25.

SECOND FLOOR

EATON'S - COLLEGE STREET

To Ease Acid Indigestion in a Few Minutes



Virtually Immediate Alkalization of Disturbed Stomach This Way

You can relieve even the most annoying symptoms of acid stomach in almost as little time, now, as it takes to tell.

The answer is quick and simple: You alkalize your stomach almost instantly this way:

Take—Two teaspoonfuls of Phillips' Milk of Magnesia 30 minutes after meals, OR take two Phillips' Milk of Magnesia Tablets; each of which contains the exact equivalent of a teaspoonful of the liquid form.

That's all you do. Relief comes

in a few minutes. Your stomach is alkalized—sweetened, soothed. Nausea, upset distress disappear. It's wonderful and amazing.

Why Results Come So Fast

Results come fast because Phillips' Milk of Magnesia is a natural alkalizer of stomach acids . . . rated as among the most potent science has yet discovered.

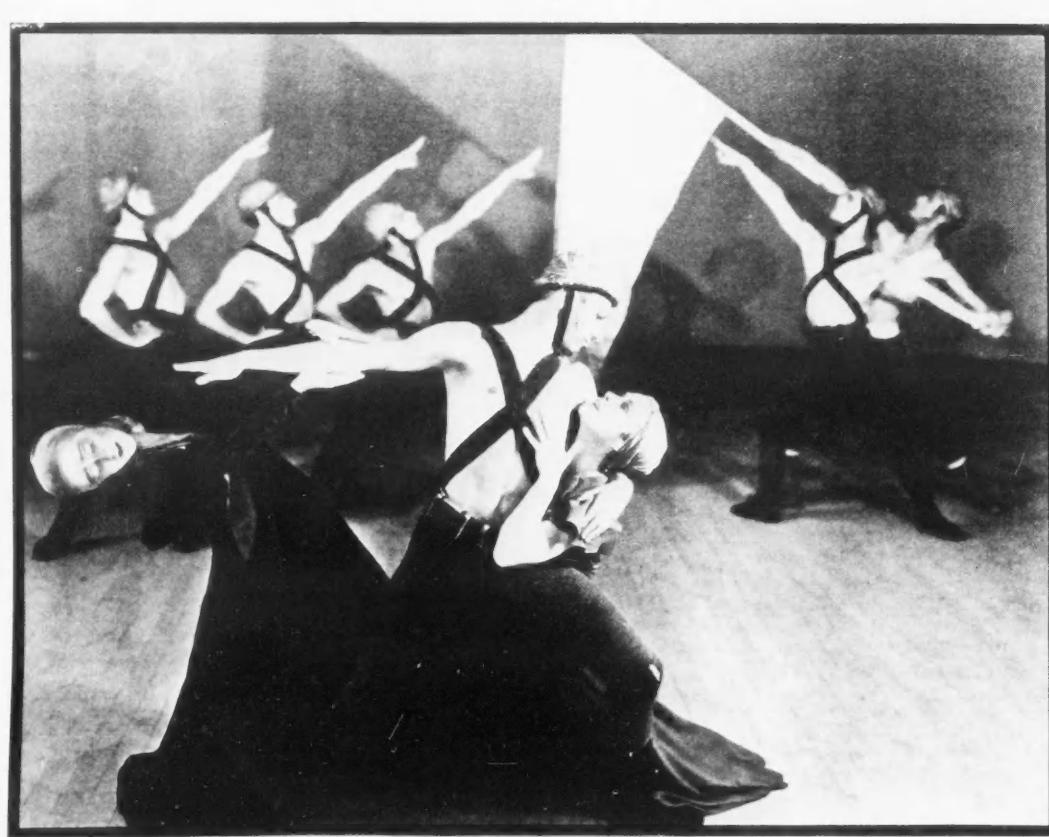
People everywhere, who are urged to keep their stomach alkalized, are finding this out. It makes an almost incredible difference in the way your stomach feels.

Try it. Get a bottle of the liquid Phillips' for home use. A box of the Phillips' tablets that you can carry with you in pocket or purse—only 25¢ for a big box. Watch out that any you accept is clearly labeled "Phillips' Milk of Magnesia."

MADE IN CANADA



PHILLIPS' MILK OF MAGNESIA



CELEBRATED BALLET COMING TO TORONTO. Scene from the much-discussed satirical baller, "The Green Room", part of the repertoire of the Jooss European Ballet, which Wilfred C. James and Ernest Rawley are bringing to Massey Hall on Jan. 28th.

Delightful!
—for Afternoon Tea

Peek Frean's Lemon Puff Cream is a real treat for the tea hour. A sandwich of butter flake biscuit with rich lemon cream filling.



PEEK, FREAN

& COMPANY, LIMITED,
LONDON, ENGLAND

"MAKERS OF
FAMOUS" BISCUITS

8-DAY GOLF VACATION AT PINEHURST \$65

Includes Room and Bath, Meals, Green Fees

Fine Golf Courses the South

From Jan. 1st to Feb. 10th, You live at Pinehurst's smartest hotel—the Carolina. Daily round-trip, 2 courses—bathing excellent condition, including the famous No. 2 course, newly remodeled. Perfect grass greens. Special rates for parties of eight or more. Write General Office, Pinehurst, North Carolina.

Overnight from New York

PINEHURST, NORTH CAROLINA
AMERICA'S PREMIER WINTER RESORT

Why
are Wedding Rings
worn on the



• Many years ago, it was believed that a separate and direct vein connected the third finger of the left hand with the heart. Consequently, when the hand was given, the heart went with it. This old belief has been disproved, of course, but the custom of wearing wedding rings on the third left-hand finger still prevails.

One belief, however, that has never been disproved, that holds as true today as it did a thousand years ago, is this: a woman, to be attractive to men, must have a lovely skin.

Have you ever tried Italian Balm, the original Skin Softener—to keep your skin smooth, soft and youthful in appearance? Italian Balm is certain, you know, to banish chapping, dryness and coarseness of skin texture *more quickly and at less expense* than anything you have ever used before. If it doesn't, your money will be cheerfully refunded.

Italian Balm is sold in 35c, 60c and \$1.00 bottles (and 25c tubes) at drug and department stores.



not sell their goods in the U.S., through advertising published in Canadian magazines. Why then should the American manufacturers be permitted to hold a position in the advertising field in Canada that Canadian manufacturers can never attain in the United States?

MUCH more could be said on this subject, but so involved is the present absurd situation in the magazine field in Canada that it would take several pages of *Saturday Night* to explain all of the factors that could be enumerated. It should be sufficient to add that when the Ottawa Trade Pacts were drawn up one important thing was forgotten, and that was the effect of American magazine advertising on the Canadian consumer. Britain and the other units of the Empire were given preferences in the Canadian market. But Empire goods could not be sold in Canada to the extent anticipated, simply because American advertising was not placed on the same basis as other American manufactured products, in so far as import duties were concerned.

It is too late now to think how different the results might have been. But the King administration still can improve the situation for Canadian publishers, if not for Canadian manufacturers, by placing a reasonable levy on all imported American advertising space in magazines and newspapers, and other publications carrying American sales propaganda into the Dominion.

It is too late now to think how different the results might have been.



IN THIS BREAKFAST-ROOM, the walls are hung with a paper smartly plaid in soft beige and ivory, and the floor is covered in black linoleum inset with old ivory bands. The curtains, hung over an ivory-toned Venetian-blind, are of yellow chintz patterned in emerald green—a striking combination that blends well with the maple furniture. One of the new brass-and-ivory chandeliers is an interesting asset; which is true of the glass and ivory-enamelled iron plant-stand. —Courtesy: The Robert Simpson Co., Ltd.

stiff and add last with the grated peel. Mix one cup of hot strained honey with $\frac{1}{2}$ cup melted butter and add one tablespoon of orange curacao. Spread on the pancake and stuff them or—mix a walnut of butter with powdered sugar, the juice of a mandarin orange and a wineglass of curacao and set the mixture alight around the pancake in a chafing dish. Fold and serve instantly with some of the sauce on each. Lastly, this—perhaps the simplest to construct but requiring, alas, three expensive liqueurs.

Put five large tablespoons of flour in bowl, make a hole in the centre and put in a pinch of salt and one tablespoon of olive oil; add the yolk of an egg, then beat the mixture well, adding a large glass of milk, a little at a time. Now beat the white of the egg and fold it in carefully, after which the mixture must rest in the chafing dish. Fold and serve instantly with some of the sauce on each.

Melt a little butter in a shining pan and cook the batter in small, thin cakes, not browned; they must be kept hot while the sauce is made in a chafing dish, each pancake being heated in it before serving.

Put the chafing dish melt a good sized piece of butter and when it is bubbling add one wineglass each of brandy, curacao and cointreau. Set the mixture on fire and let it burn while each pancake is tossed about in it repeatedly. Serve at once with some of the burning sauce poured over them.

They are all, you see, very much alike in their essentials which really are: Let the batter stand, keep them tissue-thin, don't overcook them in the frying pan, and use plenty of curacao. And good luck to your next party. I'll bet they're impressed.

DRESSING TABLE BY ISABEL MORGAN

IF IT is possible that part of the Christmas cheque sent by Uncle Horace still remains unspent, why not invest it to draw dividends—beauty dividends? The following are but a few suggestions for a very successful investment—

Hindmud's Dubarry Rose Mask, a cocktail for the skin when one is feeling fatigued and wants to look at her best. The mask is applied generously and evenly over face and throat after cleansing thoroughly. Lie down, relax, shut your eyes for twenty minutes. As the mask tightens and dries, a warm tingling which shortly becomes a cooling effect, is noticed. When the time is up, the mask is removed with either tepid water or skin freshener. This is followed with an emollient if the treatment is given before retiring, or a foundation cream or lotion if one is applying makeup. In any event the skin is smooth, rosy and clear.

Helena Rubinstein's Town and Country Make-Up Film, a tinted foundation that resembles thick Devonshire cream in its consistency and smoothness and, we might add, an exceedingly auspicious manner of beginning the maquillage. It differs from the usual foundation cream in that it is applied much more generously, and contains light oils that have a gratifyingly smoothing action as they disappear into the skin, leaving it in a delightfully receptive condition for the rouge and powder which follow.

Inoxia Complexion Mixture is the sort of preparation that makes a grand traveling companion, as well as doing its daily good deed for the complexion at home. This English preparation, which has but recently come to Canada, is particularly efficient in removing makeup from the skin before fresh powder and rouge are applied.

Ogilvie Sisters' Creme Set for Dry Hair—after the shampoo while the hair is still wet, set the wave with sufficient creme (about the amount that would cover a dime). Rub in between both hands, then smooth over the surface of the wet hair as evenly as possible, starting on ends or driest part of hair, then proceed with setting the hair. Particularly good for harsh, dry, bleached, or dull hair, as it leaves a brilliant gloss.

LIZABETH ARDEN'S Guest Room Box. One of those little necessities that are the hallmark of the accomplished hostess. It contains all shades of powder together with individual puffs, and deserves a prominent place on the dressing table of the guest room or powder room. Or, if you would like to make something very special of the rite of the bath, why not indulge in the luxury of the Arden Velva Bath Mists? They slip over the hand and are impregnated with a mixture of fine soap and softening herbs that make them look like large pink marshmallows, and they leave the skin looking and feeling as soft and smooth as that of a baby.

New York has gone quite mad about Gardenia fragrances. In fact this has



Quality has always been the finest
... and the price fair

Mrs. J. R. Wallace and Masters Jack and Michael Wallace have returned to Montreal from a visit with the former's parents, the Right Rev. and Mrs. Lemmon Williams, in Quebec.

Mr. and Mrs. R. O. McCallum, of Galt, have been spending some time at Casina Blanca Hotel, Montezuma, Florida.

Sir Frederick Banting, of Toronto, was a recent guest at Government House, Ottawa.

Mrs. Edward Reynolds, of Toronto, is spending two weeks in New York.

Mr. and Mrs. Carl Riordan, of Montreal, have sailed by the Empress of Britain on a world cruise.

Dr. Edward Archibald, of Montreal, has sailed by the Empress of Britain on a world cruise.

Mrs. Alex Dick, of Montreal, has sailed by the Franconia for a four months' trip around the world.

Mrs. J. R. Wallace and Masters Jack and Michael Wallace have returned to Montreal from a visit with the former's parents, the Right Rev. and Mrs. Lemmon Williams, in Quebec.

Mr. and Mrs. E. Wurtele have returned to Montreal from a visit in Quebec.

Mr. and Mrs. Charles Price have returned to Montreal from a visit with the former's mother, Lady Price, in Quebec.

Mrs. H. C. MacDougall has returned to Montreal from Italy where she was the guest of her parents, Colonel and Mrs. Herbert Molson, of Montreal, at their country residence for the holiday season.

Elegant Eatables

A true confession which reveals what's going on in swanky pantries.

HE'S a butler, and a nice one, so we won't give away his name.

In a confounding mood, the other day he told a friend of ours while the friend was performing a salad-mixing act in his host's pantry—some intimate kitchen facts that surely must indicate a trend or something.

The cream of mushroom soup that had been served, which, by the way, had aroused a number of polite comments of eulogy, issued not from the family soup kettle but from this bearing Heinz labels.

That must mean something—chiefly that Heinz chets

know how to make good homemade soups and do make it.

every meal," he said, "and I need it too for gravies and casseroles."

Finally the butler, probably crazed by our friend's democratic interest, led him to a great cupboard and swung open the doors. There, believe it or not, was a stock of Heinz 57 Varieties, practically from H to Z.

I'm no champion conclusion-jumper but you can imagine what I thought. I guess that the Heinz people have discovered how to make ready-to-serve foods by the same methods and with the same quality of ingredients as they use in the kitchens of our best homes.

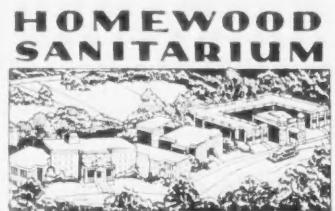
—Josephine Gibson



"Cook's annoyed awful, sir, but Mrs. Willard-Blythe much prefers to serve things from the 57 Varieties."

FOR SALE—Wonderful heirloom lace—suitable for wealthy men's daughters' wedding dresses—Twelve yards Limerick 2½ inches—Twelve yards Limerick 4 inches, beautiful embroidered flouncing 8 in. to 10 in. Two lace fronts for dresses. One 18th Century Court veil; one 3 corner small Spanish lace shawl; one Limerick lace handkerchief; one ring; loof of Crinican Ware. One garnet and pearl ring. These are in perfect repair. Have to be sold through sickness—at once. Box No. 34, Saturday Night, Toronto.

Dunlop's
Limited
Choice
Flowers
Since 1880
8 to 10 West Adelaide St.
TORONTO
Flowers Telegraphed Anywhere



A Community for reconstruction under competent medical care
To find a place where those suffering from nervous and mild mental conditions may receive individual, constructive care, often presents a problem to both physician and patient. Homewood offers such a place. Beautiful buildings, spacious grounds, occupational therapy, thorough medical and nursing treatment, diet, electro-therapy, hydrotherapy, and other proven effective aids to restoring the patient to his normal, active life.

Address: Harvey Cleve, M.D., Medical Superintendent, Homewood Sanitarium, 1000 Yonge Street, Toronto.

ST. PETERSBURG
Meet Dr. Sun!
Pack up now and hurry South to St. Petersburg on Florida's glorious Gulf Coast. Meet Dr. Sun! And watch your troubles vanish. Play outdoors under sunny skies. Meet old friends and make new ones. Rest, relax, get a new perspective on life. For booklet, write:

W. DEADERICK SEEDY
Chamber of Commerce

St. Petersburg
FLORIDA
The Sunshine City

to
EUROPE
SPEED! COMFORT!
RMS QUEEN MARY

from NEW YORK
to Cherbourg and Southampton
Jan. 22 MAJESTIC
Jan. 29 BERNGARIA
Feb. 5 MAJESTIC
Feb. 14 BERNGARIA
Feb. 20 MAJESTIC
to Cobh and Liverpool
Feb. 15* SAMARIA
Feb. 29* SCYTHIA
to Belfast and Liverpool
Jan. 24 LANCASTRIA
Feb. 7 ANDANIA
Feb. 21 ANTONIA
to Plymouth and London
Jan. 30 ALAUNIA
Feb. 13 ASCANIA
Feb. 20 AURANIA
Feb. 27 AUSONIA
*Calls at Boston following day
Callant Galaxy before Cobh

from HALIFAX*
to Plymouth and London
Feb. 2 ALAUNIA
Feb. 16 ASCANIA
Feb. 23 AURANIA
Mar. 1 AUSONIA
to Belfast and Liverpool
Jan. 27 LANCASTRIA
Feb. 10 ANDANIA
Feb. 24 ANTONIA
*Information previous evening

The largest passenger fleet on the Atlantic offers you the widest possible choice of routes, rates and dates of sailing to Europe.

Ask about our Winter Cruises to Nassau, West Indies and South America, Around the World.

Apply to your local agent or to

CUNARD WHITE STAR
LIMITED
217 Bay Street (Elgin 3421) Toronto

THE SOCIAL WORLD

ADELE M. GIANELLI, SOCIAL EDITOR

TORONTO

THE January Thaw. Neither parties nor people can withstand it... parties are petering out, people are peregrinating south, and the only plum left of the Christmas pudding is the Plum Sale of a well-known jewellery firm. Opportune, too, because brides are beginning—the declining days of January rivaling June's conjugation... for as Gilbert Frankau would decline them, "Love's moods conditional, love's future tenses, love's presents, love's imperatives, love's perfect conjugation" are January's as much as June's.

And one of the nicest receptions of the new year was for a bride—a bride whom Toronto seemed to welcome *en masse* when it turned out to Mrs. John Jennings' "at home" for her new daughter-in-law from Woodstock. If one and all admired Mrs. Douglas Jennings' beautiful rose-point lace train of her wedding gown, only one or two knew the beautiful sentiment woven in it, for her father, the late Colonel R. Percy Rogers, bought the exquisite piece of lace on the day that he was decorated with the D.S.O.! Designed into the bride's engagement ring too, is particular interest as Mr. Douglas Jennings designed it himself, the lovely oblong emerald most uniquely set with diamonds, and the diamond wrist watch she was wearing was his wedding present to her. Their home is certain to be artistic as she has a flair for decorating, and their living-room walls are pink her favorite shade, compromising with the masculine touch in the furnishings which predominate brown.

As all Rosedale and the Hill were traipsing with Mrs. John Jennings that day, only a word could be had with her as she received in a graceful raisin-velvet gown, but many would have liked to hear more about the interesting frieze of old porcelain pot-lids that framed, decorate the dining-room, and of which some body said she has the finest collection in Canada. That is a most fascinating house which was originally built by Lady Badlie. It savors of the south with its entrance loggia, and the first surprise inside is the double staircase which goes up "on the double," converging at the landing on which latticed windows look into a corridor. "Mistas" are a feature, for opening alcoves arch the halls and living-rooms, which on different levels are bays abutting on to ravine gardens. An all-white bridal table in one room and another spring flowered, were glimpsed between the throngs, with tea assistants heroically on duty. Miss Gwen Jones, Mrs. Andrew Brewster not so long ago her soft, a bride, and Mrs. Tarbox, in a cherry chintz dress, among them. The latter's mother, Mrs. Warren Darling, and her debutante sister Betty, in bright and beautiful blue. Mrs. Vaughan MacLean Howard also pretty in a vivid satin, and Mrs. Armand Smith, of Winona, were a group of family connections.

Mrs. McLean Macdonell, who will shortly have a pretty new daughter-in-law of her own, as her son, Judge Ian Macdonell, is marrying this month, Miss Maybell Forrest of Port Hope, was one of the hundreds of guests, as was pretty Mrs. J. H. McConnell. Mrs. William C. Nixon was getting acclimated to Canadian winters again, but her handsome mole-skin coat most Londonish-looking. Mrs. H. B. Anderson was setting that Southern look which means that she and the Doctor are already planning for Florida in February, and Miss Louise Bertram was speedily in the whirl preparatory to the whirls of spins she goes into at the Olympic sports as a Canadian skater more power to her!

SYMPHONIC swirls of Beethoven whirled around Massey Hall the other evening, reaching to the roof, where standers in the top gallery



MRS. FRANCIS RONALD LAMBERT MEARS, formerly Miss Margaret Trenance Tilley, younger daughter of Mr. Justice and Mrs. L. P. D. Tilley, of Saint John, whose marriage recently took place to Captain Mears of the King's Own Royal Regiment, Aldershot, England, son of the late Captain and Mrs. Peel Mears, of Regent's Park, London. The bride's father is a former Premier of New Brunswick and she is a granddaughter of the late

Sir Leonard Tilley, one of the Fathers of Confederation.

—Photo by Climo.

made it more-than-a-full-house. This time it was the musical world *en masse* to applaud Sir Ernest MacMillan, his symphony and Carl Friedberg. Mrs. Boris Hambourg's cardinal red gown was outstanding in the balcony beside Mrs. Gordon Willis and Mrs. Gwynn Oster, and across from her was Mrs. W. D. Ross in Government House Row as it might well be called. Just behind was Miss Maud Cockshut from Brantford, whose cousins were at G.H. She was with Miss Mildred Brock and in a party with Colonel and Mrs. Arthur Bishop were Mrs. Mackintosh Bell and Colonel Sidney Grasett. (Mrs. Mackintosh Bell being that lucky person who heard here in Canada, her young niece and nephew in London talking to her father, Sir Harold Beauchamp, in New Zealand, on that wonderful Christmas broadcast.)

Mrs. Eldred Macdonald and Mr. Henry Macdonald brought their dinner-guests, who included General and Mrs. C. H. Mitchell and Mr. and Mrs. George Morrow. (England was very much "in the air" if not "on the air" that evening at the Macdonalds, because their stately drawing-room is done in the most beautiful wood that was brought out in panels from Georgian England its patina is like satin.) Those owners of the two most perfect Georgian houses in Toronto, Miss L. Aileen Larkin and Mr. Gerald Larkin, were, as usual, in the audience—with the former, one of Mr. Justice Rose's sisters. Mr. and Mrs. Robert Messervy were others with an appreciation of objets d'art as well as Beethoven, also Mrs. W. B. Raymond with Miss Amel Bird and Miss Frances Williams, not so long back from England and its Georgian Jubilee, was with Principal and Mrs. McElheran.

ENGLAND on the air and music in the air was the stratosphere of the Queen's Own Mess the other afternoon, when that Chapter of the I.O.D.E. gave a "paying" party as well as a delightful one. Old songs, like old soldiers, never die... there was a splendid musical program and portraits on the wall looked on. It was but a couple of months ago that a detachment of officers and men from the Q.O.R. visited The Buffs at Canterbury to celebrate the Silver Jubilee of the alliance between the two regiments. Captain J. G. K. Strathy, whose pretty wife was pouring tea that afternoon opposite to Mrs. Ralph Gibson, was one of the lucky ones, and Mr. Jim Delamere, another of that historic party, was one of the officers who came in with Colonel Gibson, the Commanding Officer. Colonel Arthur Kirkpatrick and Mrs. Howard Burnham accompanied Mrs. Kirkpatrick, the honorary regent of the Q.O.R. Chapter, who was receiving with Mrs. W. J. Rooney, and at the tea-table in the 48th Highlanders' Mess, which was generously loaned for the occasion, Mrs. W. H. P. Elkins and Mrs. W. G. Lumbers presided, with Mrs. Victor Gianelli one of those assisting with a coterie of the younger set including such pretty ones as Miss Jocelyn Boone, Miss Kay Dunning and Miss Esme Seton Thompson. Mrs. Boyce Thompson, Miss Van Sittart, Mrs. Gerard Strathy, Mrs. Charles Parsons and Mrs. H. C. Strange were some of the throng there. And Mrs. Strange was telling me that her daughter who was recently married to Dr. Colley Foster, is now in England en route with her husband for the Gold Coast, Africa, where the latter has an interesting appointment in the Medical service. Another bit of bridal news connected with the sea, was about that Bermuda wedding which took place on board the beautiful "Monarch of Bermuda" late last autumn. The Canadian friends of Lieutenant Commander Haskett-Smith, the bridegroom, will be interested to hear that he and his beautiful bride, Miss Joan MacKay Coghill, daughter of Mr. and Mrs. Henry Smurthwaite of London, New York and Bermuda, were married in the library of the "Monarch of Bermuda," which with white roses, candles and ecclesiastical furnishings, was converted into a chapel. The great ballroom of that ship, noted for its gorgeous décor, was a garden of white roses—white roses everywhere, and why? Because it is the flower symbolic of York and Lieutenant Commander Haskett-Smith's ship is "H.M.S. York."

PACIFIC COAST

CHRISTMAS has come and gone and, as usual, we in Victoria were able to play golf and pick our Christmas roses, during the last week we have been able to sit outside in the sun without our coats—almost a record for December.

Over a thousand guests, some of them from Portland and Seattle, dined at the Empress Hotel to the accompaniment of card singing and watched the time-honored ceremonies of the lighting of the Yule Log by Mayor David Leeding and the triumphant procession of the boat's head. Among the throng were the Russell Kers, with the Daphne and Diana, Mr. and Mrs. J. W. Ruggles, Florence and Elizabeth; the Norman Yarrows with a large party; Jack Child and Cynthia Johnston, who came with the Sidney Childs; Mrs. Waugh and her party; Mrs. Curtis Sampson, and hundreds of others.

Entertaining at cocktail parties during the week were Colonel and Mrs. Lennox Irving, whose Boxing Day party is becoming an institution; the Gordon Patersons; Mr. and Mrs. Alan Morkill, who have such a lovely house for entertaining; and Mrs. Woulfe Hicks, to mention only a few. At the latter's party Mrs. Harold



TORONTONIANS AND MONTREALERS were merrymakers at the Seignior Club's New Year party. (Top) Dr. F. A. Gaby, President of the Engineering Institute of Canada, and his daughter, Catherine, are seen "smilin' through"; and (below) Montrealers form a quartette with the bride and groom, Mr. and Mrs. Ard Nesbitt, and (left) Mr. and Mrs. Murray Chipman, who entertained in their honor. Mrs. Nesbitt was formerly Honor Mathewson and is a sister of Lady Child.

—Photos by Associated Screen News.



A STUDY BY VIOLET KEENE

Make appointments now for portraits for Valentine Day. In the 6 by 8-inch size, 6 portraits \$25.00. Call Adelaide 4830 or Adelaide 5011.

PORTRAIT STUDIO, SECOND FLOOR.

EATON'S - COLLEGE STREET

INSTANTLY YOU CATCH COLD Do These 2 Things

FOR FAST RELIEF, REMEMBER THESE PICTURES



The moment you feel a cold coming on, follow the pictured directions above:

Two "Aspirin" tablets with a full glass of water.

Three "Aspirin" tablets, crushed and dissolved in 1/2 glass of water. By the time it lasts there is disintegrating.

Why "ASPIRIN" Works So Fast

Drop an "Aspirin" tablet into a glass of water.

What happens in these glasses? An "Aspirin" tablet starts to disintegrate and go to work.

Three "Aspirin" tablets start to disintegrate and go to work.

What happens in these glasses? An "Aspirin" tablet starts to disintegrate and go to work.

They dissolve almost instantly in the stomach and thus start working almost instantly. And they dissolve completely enough to use as a gargle. Watch out for this.

Aspirin Tablets are made in Canada. "Aspirin" is the registered trade-mark of the Bayer Company, Limited. Look for the name Bayer in the form of a cross on every tablet.

DEMAND AND GET "ASPIRIN"

The "NO DELAY" WAY to EUROPE

WHEN you go to Europe, go swiftly. Sail Canadian Pacific. When your train pulls in you'll find your ship waiting for you. You'll just have time to settle yourself comfortably before the mooring lines are cast off and you are on your swift and pleasurable way. The journey is a holiday in itself—either on the fast "Duchess" ships or, at lower cost, on the "Mont" boats.

Sailings each week from
SAINT JOHN and HALIFAX
landing at
GLASGOW, BELFAST and LIVERPOOL

For full information ask your local travel agent, or
J. C. PATTESON, Steamship General Agent
Canadian Pacific Building, Toronto

Canadian Pacific
WORLD'S GREATEST TRAVEL SYSTEM

Travel on Seaboard Air-Conditioned Trains from Washington to FLORIDA HAVANA-NASSAU-SOUTH

Through sleeping cars Buffalo to Washington via Pennsylvania Railroad, connecting with the famous

ORANGE BLOSSOM SPECIAL

COMPLETELY AIR-CONDITIONED

All Pullman—No extra fare

...and 4 other Seaboard trains, the only completely air-conditioned trains to Florida and the South.

VERY LOW FARES
TAKE YOUR AUTO

...for one extra ticket when two or more people travel in Pullman cars.

Request Seaboard routing from your local Ticket Agent, or consult

C. B. BARTON, A.G.P.A.

331 Union Trust Bldg., Pittsburgh, Pa.

Telephone Atlantic 1945



HOTEL Jefferson KENTUCKY AVE., ATLANTIC CITY PER PERSON \$5 DAILY TWO IN ROOM BATH-MEALS Daily WEEKLY FOR TWO—\$50

MADISON

Overlooking Boardwalk and Ocean At Illinois Ave., Atlantic City

MODERN • FIREPROOF

An ensemble of luxury and comfort for a delightful winter visit. Spacious guest rooms. Ocean view solarium and sun deck. Delicious meals.

Weekly for Two—from \$55
ROOM — BATH — MEALS
FETTER & HOLLINGER, INC.

For a COMPLETE Bermuda Vacation... The
BERMUDIADS

Bermuda's newest swimming pool, Floral Sports Garden, tennis, lawn sports and new facilities for golf and skeet. Silver Grill, center of Bermuda night life. Accommodations for 500 guests in distinguished surroundings at moderate rates.

AL DONAHUE & HIS ORCHESTRA
Get new illustrated book from your TRAVEL AGENT or apply to Robert D. Blackman, General Manager, Hotel Bermudiana, Bermuda, or Canada Representative, 515 St. Sacramento St., Montreal.

Why not spend this winter at Hobkirk Inn CAMDEN S.C. HEART OF THE SOUTHERN HORSE COUNTRY EXCELLENT GOLF QUAIL HUNTING WONDERFUL CLIMATE

THE SORENO
One of Florida's finest American plan hotels. On Tampa Bay, 300 rooms. Pleasant social life. All outdoor sports. Booklet. Soreno Lund, Jr., Mgr.

The BELLEVUE
BILTMORE BELLEAIR, Fla.
Accepted as one of America's really fine hotel properties. A magnificent location on Florida's golden Gulf Coast. Moderate rates—among the fine features: Two golf courses... among the finest in all Florida. Private dock and yacht basin. Enormous swimming pool. Treasure Island, with its smart cabana colony. Cottages... serviced by the hotel. Facilities for all land and water sports.

For information and reservations, apply to Travel Agents or Frank W. Regan, Belvoir Hotel, Belleair, Florida.

All year—Garden City Hotel, Garden City, L.I., Summer—Hotel Champlain, Blvd. Pk., N.Y.



Swanson were joint hosts there at a very gay party; Mrs. Secord Lampman wearing dull black crepe girdled in rhinestones, and Mrs. Swanson being in black velvet with silver lamé bows. Mr. and Mrs. Peter Milne, who have Colonel and Mrs. Montzambert's house for the winter, also had a large cocktail party, and there have been heaps of dinners, among them Mrs. Jonathan Rogers' for Mr. and Mrs. Ernest Lloyd Harris, and that given by Mr. and Mrs. John Oliver. Mr. Justice M. A. McDonald and Mrs. McDonald entertained at a cocktail party for Senator King and his very delightful wife, who are over from Victoria; she is such a charming person, and so amusing.

Other events of the week were Miss Madeleine and Miss Janet Whitter's large tea; Mrs. Sidney Darnbrough and Miss Betsy Darnbrough's reception; the dance given by the Walter Walsh's for John; Mrs. S. D. Brooks' children's party for Greta Ann and Sonnie; and the Christmas Eve wedding of Jean Coulthard, the elder daughter of Dr. Walter Coulthard, to Mr. Donald Marvin Adams, son of Mr. and Mrs. Walter Adams, of Victoria, which took place quietly at home.

Two interesting engagements have just been announced; that of Verne, younger daughter of Colonel and Mrs. Nelson Spencer, to Mr. William Calvert Simson, younger son of Mr. Calvert Simson and the late Mrs. Simson. It is to be a house wedding, and will take place towards the end of January at the home of the bride's parents. Also engaged are Miss Anne Cross, daughter of Mr. and Mrs. A. M. Cross, of Listowel, Ontario, and Dr. John A. McLean, of Vancouver, who will make their home here after the wedding in Listowel on January 4th, and a honeymoon trip by car to California.

Entertaining at the Royal Vancouver Yacht Club were Marjorie McDonald, the Fergus R. McDonald's daughter, and her cousin, Elizabeth Balfour. Marjorie's gown was of black panne velvet, and Elizabeth was in marine blue in princess style; they both wore corsages of gardenias. Mrs. George Seymour and Mrs. C. W. Wearmouth presided at tea and among the sub-debs who assisted in serving were Jane Billings, Mary McDonald, Molly Erskine and several others. The Royal Vancouver Yacht Club was also the setting for Mrs. Hector Quagliotti-Romanoff's reception in honor of her attractive débutante, Thérèse, followed by a large dance which was attended by most of the younger set.

—MARIGOLD

TRAVELERS

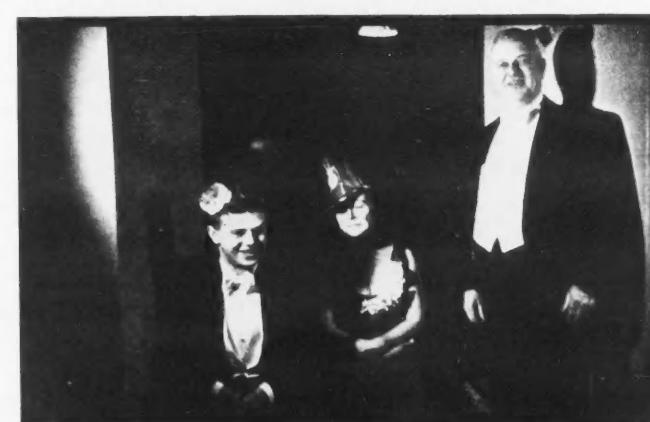
Lieut.-Colonel and Mrs. Gavin Ogilvie and Miss Betty Ogilvie, of Montreal, are spending the New Year holiday season at their country residence in the Laurentians.

Sir Nairn Stuart Sandeman and Lady Sandeman, of London, England, are spending some time at Nassau, the Bahamas.

Interesting visitors here for the holidays were Mr. and Mrs. S. A. Kelly and Miss Sue Kelly, who are staying with Sir Richard and Lady Lake; Mr. F. E. L. Player, of Winnipeg, with his mother, Mrs. G. P. Player; Mr. W. B. English and Mr. Don McDermott, of Vancouver, who were Mrs. J. S. C. Fraser's house guests; the Gordon Godwines from Oregon, with Mr. and Mrs. L. D. Rines; the Ernest Codes, of Seattle, staying with Mr. Code's mother, Mrs. E. E. Code, and Mrs. J. S. Hargrave, of Vancouver, who, with Elizabeth and Denis, is staying with Mrs. Arthur Robertson.

So many parties in Vancouver—several of them being to say "bon voyage" to the Philip Rogers', she the former Jean Thomas, who are off on the Empress of Canada on a round-the-world cruise; they are stopping off at Honolulu for a few days, as Jean's mother, Mrs. C. E. Thomas, is holidaying there, and then going on to Japan, China, India, Egypt, England and France. Mr. and Mrs. J. D. Push are sailing on the same ship for a tour of the South Seas, and the Allen Camerons are on their way to Hongkong.

Jericho Country Club is becoming increasingly popular as a rendezvous for cocktail parties. The Secord Lampmans and Mr. and Mrs. James



TOP HAT WAS A FAVORITE TUNE at the Seigniory Club's New Year revels and a family party envoicing it (Top) are Brigadier-General J. B. White and Mrs. White with their son, Franklin, who is a Lieutenant in Lord Strathcona's Horse (R.C.) stationed in Winnipeg. (Below) A Montreal story in the telling when Mr. John Bassett, Mrs. George Stephen, Mrs. Bassett and Mr. Stephen got together.

—Photos by Associated Screen News.

SATURDAY NIGHT

Mr. and Mrs. Louis P. Gelinas have returned to Montreal after spending the New Year holidays with the latter's parents, the Hon. L. A. Taschereau and Mrs. Taschereau, in Quebec.

Hon. Mr. Justice Barclay and Mrs. Barclay, of Montreal, spent the holiday season at their country residence at Val David where they entertained a house party.

Mr. and Mrs. L. C. Thomson, of Montreal, are leaving the middle of January to spend the remainder of the winter in California.

NATIONAL GALLERY

(Continued from Page 13)

the most representative array of Canadian art in existence are housed in cramped and inadequate quarters, which are not even fireproof. Apart from the danger to the collection, this means that the bulk of the pictures cannot be shown in Ottawa, and that the superb Canadian War Memorials Collection is relegated to permanent storage.

Since its foundation the Gallery has kept two objects constantly in view. These, as expressed in one of the Annual Reports of the Board of Trustees, are "building up the finest collection of art, both Canadian and foreign, in Ottawa, and the dissemination of a sound knowledge of the fine arts throughout this country by means of exhibitions and loans of all forms of art."

The achievement of the first object

is now to be seen in the Old Master and Canadian collections at Ottawa. The Old Master Collection has been formed by a cautious and enlightened buying policy, the main purpose of which has been to acquire examples of the art of all ages whose quality is outstanding and unquestioned, even if the annual number of accessions should as a result be smaller. It is now acknowledged by experts on both sides of the Atlantic to be of real importance, and indeed, three works were borrowed from its Italian section for the Italian exhibition at Burlington House in 1930. The Canadian collection is extremely fine, and selections from it are continually being made available to schools, corporations and art institutes throughout Canada, by the Gallery's policy of Loan Exhibitions.

These loan exhibitions, which bring within the reach of thousands pictures and works of art that they would not see in the normal course of events never seen, are part of a larger scheme aimed at furthering and encouraging art and its appreciation amongst us. It includes loan exhibits of foreign paintings, lecture courses with slides and reproductions, lecture tours by distinguished artists and critics, and a fine print collection and reference library for the use of teachers and students.

THIS large scheme called forth un stinted praise from Sir Henry Metz, who made a report on the Museums of Canada for the Carnegie Corporation in 1930, and it resulted in securing to that body the services of

the Director and the Assistant-Director as its Canadian Art Advisors. No less enthusiastic was Prof. W. C. Constable of the Courtauld Institute in his report of 1931. But he was equally emphatic that the present premises in which, despite fifteen years of agitation, the Gallery is still quartered, were totally inadequate.

He strongly condemned their remoteness, their lack of architectural unity and their exposure to the danger of fire, as well as the poor lighting, the impossibility of controlling the humidity, and the lack of space for works of art, for staff offices and for handling and packing the enormous number of loan exhibits. He might also have commented on the fact that the foundations are slipping, and that the present staff is quite unable to cope with the work which, owing to the Gallery's generous policy, has increased fourfold in the last five years.

The Gallery is our national possession, and its work national work. But to expect it to do much more than exist under present conditions would be unreasonable. If it is to continue its great task, so vehemently justified by the Wembley Exhibitions of 1924-25, by the Paris Exhibition of 1927, by the growing appreciation of the Permanent collection and the Loan Exhibitions, and by the approval of visiting experts, an immediate enlargement and improvement of existing facilities is imperative. Otherwise it will be just another case of

Here we go round the prickly pear.

At five o'clock in the morning.



"Baked to a turn" is a phrase which is used so often that we get rather tired of it. But here is a place where its use is clearly justified. The hostess is justly proud of the dainties she has baked in the oven of her range, the MAGIC CHEF—the gas range that is making so many new friends. It demonstrates that the gas range of today leads in style, beauty and efficiency.

The MAGIC CHEF illustrated is a handsome range equipped with both automatic time-control and heat-control. It will both light the oven-burner and extinguish it in the absence of the housewife. All the burners in this range are self-lighting.

The finish is in ivory porcelain enamel.

The cooking top has four efficient burners. Automatic lighter. New style burner tray. Folding cover is spring-balanced.

The oven is insulated. Generous in size. Enamelled linings. Automatically controlled for both temperature and time. The clock may be set both to light the oven burner and to turn it "off" at desired times. The oven may also be operated without these automatic features at will. Safety gas valve. The broiler is beneath the oven and heated by the same burner. Drawer type with drop



door. Equipped with improved enamelled pan and grid which make broiling easy.

The clock is a reliable time-keeper. Requires no winding.

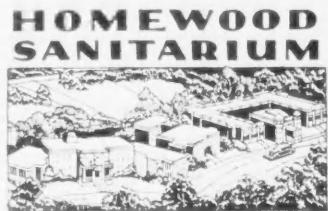
There are two service drawers under the cooking top.

GAS IS QUICKER, CLEANER, COOLER!

The CONSUMERS' GAS Company
55 Adelaide St. E. 732 Danforth Ave. 2532 Yonge St.

FOR SALE—Wonderful heirloom lace—suitable for wealthy men's daughters' wedding dresses—Twelve yards Limerick 2½ inches—Twelve yards Limerick 4 inches; beautiful embroidered Bouncing 8 in. - 10 in. Two lace fronts for dresses. One 18th Century Court veil; one 3 corner small Spanish lace shawl; one Limerick lace handkerchief, one ring, loot of Crimian War. One garnet and pearl ring. These are in perfect repair. Have to be sold through sickness—at once. Box No. 34, Saturday Night, Toronto.

Dunlop's
Limited
Choice
Flowers
Since 1880
8 to 10 West Adelaide St.
TORONTO
Flowers Telegraphed Anywhere



To find a place where those suffering from nervous and mild mental conditions may receive individual, constructive care, often presents a difficult problem. Homewood Sanitarium, a place Beautiful buildings, lovely grounds, occupational therapy, through medical and nursing treatment, diet, electro-therapy, hydrotherapy, and other proven effective aids to restoring the patient to his normal active life. Address: Dr. G. C. M. M. Superintendent, Homewood Sanitarium, Toronto, Ont.

ST. PETERSBURG
Meet Dr. SUN-
Pack up now and hurry South to St. Petersburg on Florida's glorious Gulf Coast. Meet Dr. Sun! And watch your troubles vanish. Play outdoors under sunny skies. Meet old friends and make new ones. Rest, relax, get a new perspective on life. For booklet, write: GEORGE S. SEY Chamber of Commerce.

St. Petersburg
FLORIDA
THE SUNSHINE CITY

to EUROPE
SPEED! COMFORT!
C. L. GUNNARSON
FROM NEW YORK

to Cherbourg and Southampton
Jan. 22 MAJESTIC
Jan. 29 BERENGARIA
Feb. 5 MAJESTIC
Feb. 14 BERENGARIA
Feb. 20 MAJESTIC

to Cobh and Liverpool

Feb. 15* SAMARIA

Feb. 29* SCYTHIA

to Belfast and Liverpool

Jan. 24 LANCASTRIA

Feb. 7 ANDANIA

Feb. 21 ANTONIA

to Plymouth and London

Jan. 30 ALAUNIA

Feb. 13 ASCANIA

Feb. 20 AURANIA

Feb. 27 AUSONIA

To Europe following day

Cobh (Galway) before Cobh

from HALIFAX*

to Plymouth and London

Feb. 2 ALAUNIA

Feb. 16 ASCANIA

Feb. 23 AURANIA

Mar. 1 AUSONIA

to Belfast and Liverpool

Jan. 27 LANCASTRIA

Feb. 10 ANDANIA

Feb. 24 ANTONIA

*Departing previous evening

The largest passenger fleet on the Atlantic offers you the widest possible choice of routes, rates and dates of sailing to Europe.

Ask about our Winter Cruises to Nassau, West Indies and South America, Around the World.

Apply to your local agent (we can serve you better) or to

CUNARD WHITE STAR
LIMITED
217 Bay Street (Elgin 3471) Toronto

THE SOCIAL WORLD

ADELE M. GIANELLI, SOCIAL EDITOR

TORONTO

THE January Thaw. Neither parties nor people can withstand it... parties are petering out, people are peregrinating south, and the only plum left of the Christmas pudding is the Plum Sale of a well-known jewellery firm. Opportune, too, because brides are beginning—the declining days of January rivaling June's conjugation... for as Gilbert Frankau would decline them, "Love's moods conditional, love's future tenses, love's presents, love's imperatives, love's perfect conjugation" are January's as much as June's.

And one of the nicest receptions of the new year was for a bride—a bride whom Toronto seemed to welcome *en masse* when it turned out to Mrs. John Jennings' "at home" for her new daughter-in-law from Woodstock. It one and all admired Mrs. Douglas Jennings' beautiful rose-point lace train of her wedding gown, only one or two knew the beautiful sentiment woven in it, for her father, the late Colonel R. Percy Rogers, bought the exquisite piece of lace on the day that he was decorated with the D.S.O.! Designed into the bride's engagement ring, too, is particular interest as Mr. Douglas Jennings designed it himself, the lovely oblong emerald most uniquely set with diamonds, and the diamond wrist watch she was wearing was his wedding present to her. Their home is certain to be artistic, as she has a flair for decorating, and their living-room walls are pink—her favorite shade, compromising with the masculine touch in the furnishings which predominate brown.

As all Rosedale and the Hill were teaing with Mrs. John Jennings that day, only a word could be had with her as she received in a graceful raisin-velvet gown, but many would have liked to hear more about the interesting triosie of old porcelain pot-lids that, framed, decorate the dining-room, and of which somebody said she has the finest collection in Canada. That is a most fascinating house which was originally built by Lady Badlie. It savors of the south with its entrance loggia, and the first surprise inside is the double staircase which goes up "on the double," converging at a landing on which latticed windows look into a corridor. "Vistas" are a feature, too, opening above the hall and living-rooms which on different levels are bays abutting on to ravine gardens. An all-white bridal table in one room and another spring-flowered, were glimpsed between the rooms, with tea assistants heroically on duty. Miss Gwen Jones, Mrs. Andrew Brown, not so long ago herself a bride, and Mrs. Tarbox, in a pretty cotton dress, among them. The latter's mother, Mrs. Warren Tarbox, and her delectable sister Bette, in bright and beautiful blue. Mrs. Vaughan MacLean Howard also pretty in a vivid satin, and Mrs. Armand Smith of Whinona, were a group of family connections.

Miss Eldred Macdonald and Mr. Henry Macdonald brought their dinner-guests, who included General and Mrs. C. H. Mitchell and Mr. and Mrs. George Morrow. England was very much "in the air" if not "on the air" that evening at the Macdonalds, because their stately drawing-room is done in the most beautiful wood that was brought out in panels from Georgian England—its patina is like satin! Those owners of the two most perfect Georgian houses in Toronto, Miss L. Alleen Larkin and Mr. Gerald Larkin, were, as usual, in the audience—with the former, one of Mr. Justice Rose's sisters. Mr. and Mrs. Robert Messervy were others with an appreciation of objets d'art as well as Miss Elizabeth H. Anderson was getting that Southern look which means that she and the Doctor are already planning for Florida in February and Miss Louise Bertram was speedily in the whirl preparatory to the whiffs of spuds she goes into at the Olympic sports as a Canadian skater—more power to her!

SYMPHONIC swirls of Beethoven whirled around Massey Hall the other evening, reaching to the roof where standers-in the top galleries



MRS. FRANCIS RONALD LAMBERT MEARS, formerly Miss Margaret Tremaine Tilley, younger daughter of Mr. Justice and Mrs. L. P. D. Tilley, of Saint John, whose marriage recently took place to Captain Mears of the King's Own Royal Regiment, Aldershot, England, son of the late Captain and Mrs. Peel Mears, of Regent's Park, London. The bride's father is a former Premier of New Brunswick and she is a granddaughter of the late Sir Leonard Tilley, one of the Fathers of Confederation.

—Photo by Climo.

made it more-than-a-tall-house. This time it was the musical world *en masse* to applaud Sir Ernest MacMillan, his symphony and Carl Friedberg. Mrs. Boris Hambourg's cardinal red gown was outstanding in the balcony beside Mrs. Gordon Wills and Mrs. Gwynn Osler, and across from her was Mrs. W. D. Ross in Government House Row as it might well be called. Just behind was Miss Maud Cockshutt from Brantford, whose cousins were at G.H. She was with Miss Mildred Brock, and in a party with Colonel and Mrs. Arthur Bishop were Mrs. Mackintosh Bell and Colonel Sidney Grassté (Mrs. Mackintosh Bell being that lucky person who heard here in Canada, her young niece and nephew in London talking to her father, Sir Harold Beauchamp, in New Zealand, on that wonderful Christmas broadcast.)

Miss Eldred Macdonald and Mr. Henry Macdonald brought their dinner-guests, who included General and Mrs. C. H. Mitchell and Mr. and Mrs. George Morrow. England was very much "in the air" if not "on the air" that evening at the Macdonalds, because their stately drawing-room is done in the most beautiful wood that was brought out in panels from Georgian England—its patina is like satin! Those owners of the two most perfect Georgian houses in Toronto, Miss L. Alleen Larkin and Mr. Gerald Larkin, were, as usual, in the audience—with the former, one of Mr. Justice Rose's sisters. Mr. and Mrs. Robert Messervy were others with an appreciation of objets d'art as well as Miss Elizabeth H. Anderson was getting that Southern look which means that she and the Doctor are already planning for Florida in February and Miss Louise Bertram was speedily in the whirl preparatory to the whiffs of spuds she goes into at the Olympic sports as a Canadian skater—more power to her!

SYMPHONIC swirls of Beethoven whirled around Massey Hall the other evening, reaching to the roof where standers-in the top galleries

ENGLAND on the air and music in the air was the stratosphere of the Queen's Own Mess the other afternoon, when that Chapter of the L.O.D.E. gave a "paying" party as well as a delightful one. Old songs, like old soldiers, never die... there was a splendid musical program and portraits on the wall looked on. It was but a couple of months ago that a detachment of officers and men from the Q.O.R. visited The Buffs at Canterbury to celebrate the Silver Jubilee of the alliance between the two regiments. Captain J. G. K. Strathy, whose pretty wife was pouring tea that afternoon opposite to Mrs. Ralph Gibson, was one of the jinkies ones, and Mr. Jim Delamere, another of that historic party, was one of the officers who came in with Colonel Gibson, the Commanding Officer. Colonel Arthur Kirkpatrick and Mrs. Howard Burnham accompanied Mrs. Kirkpatrick, the honorary regent of the Q.O.R. Chapter, who was receiving with Mrs. W. J. Rooney, and at the tea-table in the 4th Highlanders' Mess, which was generously loaned for the occasion, Mrs. W. H. P. Elkins and Mrs. W. G. Lumbers presided, with Mrs. Victor Gianelli one of those assisting with a coterie of the younger set including such pretties as Miss Jocelyn Boone, Miss Kay Dunning and Miss Esmé Seton Thompson. Mrs. Boyce Thompson, Miss Vansittart, Mrs. Gerard Strathy, Mrs. Charles Parsons and Mrs. H. C. Strange were some of the throng there. And Mrs. Strange was telling me that her daughter who was recently married to Dr. Colley Foster, is now in England en route with her husband for the Gold Coast, Africa, where the latter has an interesting appointment in the Medical service. Another bit of bridal news connected with the sea, was about that Bermuda wedding which took place on board the beautiful "Monarch of Bermuda" late last autumn. The Canadian friends of Lieut. Commander Haskett-Smith, the bridegroom, will be interested to hear that he and his beautiful bride, Miss Joan MacKay Coghill, daughter of Mr. and Mrs. Henry Smurthwaite of London, New York and Bermuda, were married in the library of the "Monarch of Bermuda," which with white roses, candles and ecclesiastical furnishings, was converted into a chapel. The great ballroom of that ship, noted for its gorgeous décor, was a garden of white roses—white roses everywhere, and why? Because it is the flower symbol of York and Lieutenant-Commander Haskett-Smith's ship is "H.M.S. York."

PACIFIC COAST

CHRISTMAS has come and gone, as usual, we in Victoria were able to play golf and pick our Christmas roses, during the last week we have been able to sit outside in the sun without our coats—almost a record for December.

Over a thousand guests, some of them from Portland and Seattle, dined at the Empress Hotel to the accompaniment of card singing and watched the time-honored ceremonies of the lighting of the Yule Log by Mayor David Leeming and the triumphant procession of the boat's head. Among the throng were the Russell Kers, with the Daphne and Diana, Mr. and Mrs. J. W. Ruggles, Florence and Elizabeth, the Norman Yarrows with a large party, Jack Childs and Cynthia Johnston, who came with the Sidney Childs; Mrs. Waugh and her party; Mrs. Curtis Sampson, and hundreds of others.

Entertaining at cocktail parties during the week were Colonel and Mrs. Lennox Irving, whose Boxing Day party is becoming an institution; the Gordon Patersons; Mr. and Mrs. Alan Morkill, who have such a lovely house for entertaining, and Mrs. Woulfe Hicks, to mention only a few. At the latter's party Mrs. Harold



A STUDY BY VIOLET KEENE

Make appointments now for portraits for Valentine Day. In the 6 by 8-inch size, 6 portraits \$25.00. Call Adelaide 4830 or Adelaide 5011.

PORTRAIT STUDIO, SECOND FLOOR.

EATON'S - COLLEGE STREET

INSTANTLY YOU CATCH COLD Do These 2 Things

FOR FAST RELIEF, REMEMBER THESE PICTURES



The moment you feel a cold coming on, follow the pictured directions above:

Two "Aspirin" tablets with a full glass of water.

Three "Aspirin" tablets, crushed and dissolved in ½ glass of water. Gargle with this mixture twice, holding your head well back to permit this medicated gargle to reach the irritated membranes of the throat.

Your doctor will approve this treatment as perhaps the quickest, simplest way known to fight cold and sore throat.

The "Aspirin" taken internally will combat a cold almost instantly, and ease the usual pains that accompany one. The gargle will ease sore throat in a few minutes. For a sore throat, like a local anesthetic in relieve pain and rawness.

When you buy, though, see that you get "ASPIRIN" tablets. For

DEMAND AND GET "ASPIRIN"

The "NO DELAY" WAY to EUROPE

WHEN you go to Europe, go swiftly. Sail Canadian Pacific. When your train pulls in you'll find your ship waiting for you. You'll just have time to settle yourself comfortably before the mooring lines are cast off and you are on your swift and pleasureable way. The journey is a holiday in itself—either on the fast "Duchess" ships or, at lower cost, on the "Mont" boats.

Sailings each week from
SAINT JOHN and HALIFAX
landing at
GLASGOW, BELFAST and LIVERPOOL

For full information ask your local travel agent, or
J. C. PATTESON, Steamship General Agent
Canadian Pacific Building, Toronto

Canadian Pacific
WORLD'S GREATEST TRAVEL SYSTEM



—Photo by Associated Screen News.

Travel on Seaboard Air-Conditioned Trains From Washington to FLORIDA to HAVANA-NASSAU-SOUTH

Through sleeping cars Buffalo to Washington via Pennsylvania Railroad, connecting with the famous

ORANGE BLOSSOM SPECIAL
COMPLETELY AIR-CONDITIONED
All Pullman—No extra fare
...and 4 other Seaboard trains, the only completely air-conditioned trains to Florida and the South.

VERY LOW FARES TAKE YOUR AUTO
...for one extra ticket when two or more people travel in Pullman cars.

Request Seaboard routing from your local Ticket Agent, or consult

C. B. BARTON, A.G.P.A.
331 Union Trust Bldg., Pittsburgh, Pa.
Telephone Atlantic 1945





MRS. DAVID HERBERT WILLIAMS, of Halifax, formerly Miss Margaret Mary Black, eldest daughter of Mr. and Mrs. Robert A. Black, of Westmount, whose marriage took place in November to the son of the late Most Reverend David Williams, Archbishop of Huron, and Mrs. Williams, of London, Ont.

Calvert, who was Margot Homer-Dixon, was looking exceptionally lovely in black velvet; she is one of the rare people at whom it is a pleasure to look and has two equally attractive sisters.

Two very popular people were married at St. Mary's Church on Boxing Day; Peggy Horne, the elder daughter of Mr. and Mrs. W. H. Horne, and Ross (Bud) Hocking, Mr. and Mrs. J. C. Hocking's only son, who is so well known in British Columbia as a tennis player. The bride was lovely in a gown of white velvet, with a tulle veil caught to a halo of velvet, and she carried a sheaf of calla lillies; she was given in marriage by her father, and attended by Mrs. D. Godwin, as matron of honor and Miss Norma Hocking, with little Elizabeth Foote as flower girl. Mr. Douglas Godwin was best man, and Mr. Harold Horne and Mr. Bill Barrett the ushers; following the large reception Mr. and Mrs. Hocking left on a trip to California.

Social events of the week: the I.O.D.E. Children's Ball at the Empress Hotel, where one of the prizes for the best costumes was awarded to Bryan and Maureen Bray, the Harold Bray's attractive children; the Canadian Scottish Regiment Boxing Day Ball at Duncan, which so many Victorians attended, among them Alyce Paines and Chisholm Fraser, who were among the Joe Stewart-Williams' house guests; Miss Daphne Holmes' large tea for the younger set, the P. B. Seurrah's house dance for June, and heaps of smaller affairs arranged for every afternoon and evening.

Interesting visitors here for the holidays were Mr. and Mrs. S. A. Kelly and Miss Sue Kelly, who are staying with Sir Richard and Lady Lake; Mr. F. E. L. Player, of Winnipeg, with his mother, Mrs. G. P. Player; Mr. W. B. English and Mr. Don McDermott, of Vancouver, who were Mrs. J. S. C. Fraser's house guests; the Gordon Godwines from Oregon, with Mr. and Mrs. L. D. Rines, the Ernest Codres, of Seattle, staying with Mr. Code's mother, Mrs. E. E. Code, and Mrs. J. S. Hargrave, of Vancouver, who, with Elizabeth and Denis, is staying with Mrs. Arthur Robertson.

So many parties in Vancouver—several of them being to say "bon voyage" to the Philip Rogers', she the former Jean Thomas, who are off on the Empress of Canada on a round-the-world cruise; they are stopping off at Honolulu for a few days, as Jean's mother, Mrs. C. E. Thomas, is holidaying there, and then going on to Japan, China, India, Egypt, England and France. Mr. and Mrs. J. D. Pugh are sailing on the same ship for a tour of the South Seas, and the Allen Camerons are on their way to Hongkong.

Jericho Country Club is becoming increasingly popular as a rendezvous for cocktail parties. The Secord Lampmans and Mr. and Mrs. James

TRAVELERS

Lieut.-Colonel and Mrs. Gavin Ogilvie and Miss Betty Ogilvie, of Montreal, are spending the New Year holiday season at their country residence in the Laurentians.

Sir Nairn Stuart Sandeman and Lady Sandeman, of London, England, are spending some time at Nassau, the Bahamas.

Mr. and Mrs. J. W. McConnell, their daughter, Miss Kathleen McConnell, and son, Master David McConnell, of Montreal, have sailed in the Empress of Britain on a World cruise. They will disembark at India to be the guests of the Earl of Willingdon, Viceroy of India, and the Countess of Willingdon, for some time and will rejoin the Empress of Britain on April 15th at Yokohama.

Inspector Charles Rivett-Carnac, of the R.C.M.P., and Mrs. Rivett-Carnac and their little daughter, Beverley, have arrived from Akhaylik and taken up their residence in Daly Avenue, Ottawa. Mrs. Rivett-Carnac is a daughter of Colonel and Mrs. F. B. Ware, of London, Ont.

Lieut.-Colonel J. C. Stewart, Mrs. Stewart and their two sons and two daughters have arrived from Calgary, Alta., in London, Ont., where Colonel Stewart has taken over command of Military District No. 1, succeeding Brigadier J. M. Ross who is retiring.

The Hon. Raymond Brugere, French Minister to Canada and Madame Brugere, who have been spending some time in Europe, have returned by the He de France.

Dr. and Mrs. J. L. Todd and their daughters, of Montreal, who have been in England for some time, left London and spent the holiday season in Bagnères in the Pyrenees.



TOP HAT WAS A FAVORITE TUNE at the Seigniory Club's New Year revels and a family party enjoying it (top) are Brigadier-General L. B. White and Mrs. White with their son, Franklyn, who is a Lieutenant in Lord Strathcona's Horse (R.C.) stationed in Winnipeg. (Below) A Montreal story in the telling when Mr. John Bassett, Mrs. George Stephen, Mrs. Bassett and Mr. Stephen got together.

—Photos by Associated Screen News.

Mr. and Mrs. Louis P. Gelinas have returned to Montreal after spending the New Year holidays with the latter's parents, the Hon. L. A. Taschereau and Mrs. Taschereau, in Quebec.

Hon. Mr. Justice Barclay and Mrs. Barclay, of Montreal, spent the holiday season at their country residence at Val David where they entertained a house party.

Mr. and Mrs. L. C. Thomson, of Montreal, are leaving the middle of January to spend the remainder of the winter in California.

NATIONAL GALLERY

(Continued from Page 12)

the most representative array of Canadian art in existence are housed in cramped and inadequate quarters, which are not even fireproof. Apart from the danger to the collection, this means that the bulk of the pictures cannot be shown in Ottawa, and that the superb Canadian War Memorials Collection is relegated to permanent storage.

Since its foundation the Gallery has kept two objects constantly in view. These, as expressed in one of the Annual Reports of the Board of Trustees, are "building up the finest collection of art, both Canadian and foreign, in Ottawa, and the dissemination of a sound knowledge of the fine arts throughout this country by means of exhibitions and loans of all forms of art."

The achievement of the first object

is now to be seen in the Old Master and Canadian collections at Ottawa. The Old Master Collection has been formed by a cautious and enlightened buying policy, the main purpose of which has been to acquire examples of the art of all ages whose quality is outstanding and unquestioned, even if the annual number of accessions should as a result be smaller. It is now acknowledged by experts on both sides of the Atlantic to be of real importance, and indeed, three works were borrowed from its Italian section for the Italian exhibition at Burlington House in 1930. The Canadian collection is extremely fine, and selections from it are continually being made available to schools, corporations, and art institutes throughout Canada, by the Gallery's policy of Loan Exhibitions.

These loan exhibitions, which bring within the reach of thousands pictures and works of art that they would not normally see, are part of a larger scheme aimed at furthering and encouraging art and its appreciation amongst us. It includes loan exhibits of foreign paintings, lecture courses with slides and reproductions, lecture tours by distinguished artists and critics, and a fine print collection and reference library for the use of teachers and students.

THIS large scheme called forth unstinted praise from Sir Henry Miers, who made a report on the Museums of Canada for the Carnegie Corporation in 1930; and it resulted in securing to that body the services of

the Director and the Assistant Director as its Canadian Art Advisors. No less enthusiastic was Prof. W. C. Constable of the Courtauld Institute in his report of 1931. But he was equally emphatic that the present premises in which, despite fifteen years of agitation, the Gallery is still quartered, were totally inadequate.

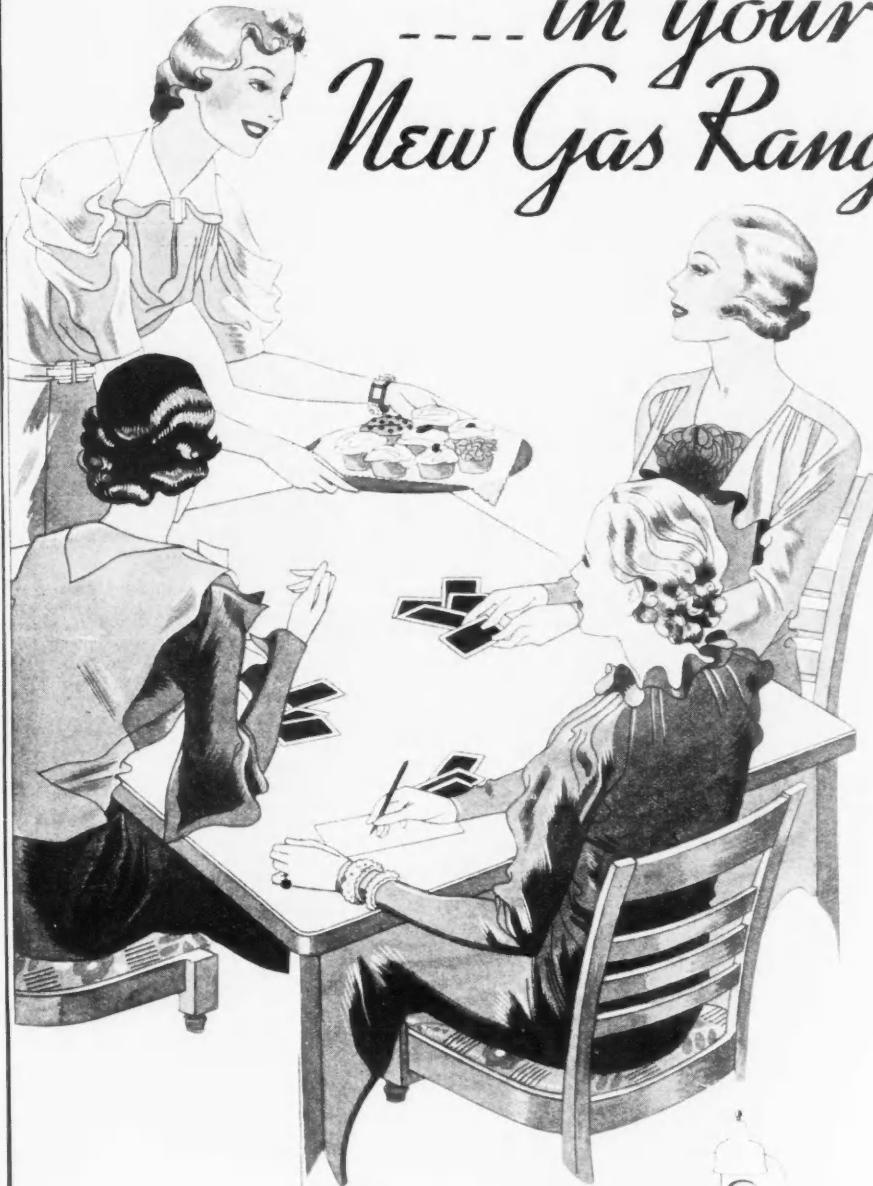
He strongly condemned their remoteness, their lack of architectural unity and their exposure to the danger of fire, as well as the poor lighting, the impossibility of controlling the humidity, and the lack of space for works of art, for staff offices and for handling and packing the enormous number of loan exhibits. He might also have commented on the fact that the foundations are slipping, and that the present staff is quite unable to cope with the work which, owing to the Gallery's generous policy, has increased fourfold in the last five years.

The Gallery is our national possession, and its work national work. But to expect it to do much more than exist under present conditions would be unreasonable. If it is to continue its great task, so vehemently justified by the Wembley Exhibitions of 1924-25, by the Paris Exhibition of 1925, by the growing appreciation of the Permanent collection and the Loan Exhibitions, and by the approval of visiting experts, an immediate enlargement and improvement of existing facilities is imperative. Otherwise it will be just another case of

Here we go round the prickly pear.

At five o'clock in the morning.

"...in your New Gas Range?"



"Baked to a turn" is a phrase which is used so often that we get rather tired of it. But here is a place where its use is clearly justified. The hostess is justly proud of the dainties she has baked in the oven of her range, the MAGIC CHEF—the gas range that is making so many new friends. It demonstrates that the gas range of today leads in style, beauty and efficiency.

The MAGIC CHEF illustrated is a handsome range equipped with both automatic time-control and heat-control. It will both light the oven-burner and extinguish it in the absence of the housewife. All the burners in this range are self-lighting.

The finish is in ivory porcelain enamel.

The cooking top has four efficient burners. Automatic lighter. New-style burner tray. Folding cover is spring-balanced.

The oven is insulated. Generous in size. Enamelled linings. Automatically controlled for both temperature and time. The clock may be set both to light the oven burner and to turn it "off" at desired times. The oven may also be operated without these automatic features at will. Safety gas valve. The broiler is beneath the oven and heated by the same burner. Drawer type with drop



door. Equipped with improved enamelled pan and grid which make broiling easy.

The clock is a reliable time-keeper. Requires no winding.

There are two service drawers under the cooking top.

GAS IS QUICKER, CLEANER, COOLER!

The CONSUMERS' GAS Company

55 Adelaide St. E. 732 Danforth Ave. 2532 Yonge St.

Why not spend this Winter at Hobkirk Inn CAMDEN SC, HEART OF THE SOUTHERN HORSE COUNTRY EXCELLENT GOLF QUAIL HUNTING WONDERFUL CLIMATE

THE SORENO
One of Florida's finest American plan hotels. On Tampa Bay—500 rooms. Pleasant social life. All outdoor sports. Bookable. Soren Lund, Jr., Mgr.
ST. PETERSBURG-FLORIDA

The BELLEVUE
BILTMORE BELLEAIR, FLA.
Accepted as one of America's really fine hotel properties. A magnificent location on Florida's golden Gulf Coast. Moderate rates—with these fine features: Two golf courses, one among the finest in all Florida. Private dock and yacht basin. Enormous swimming pool. Treasure Island, with its smart cabana colony. Cottages... serviced by the hotel. Facilities for all land and water sports.

For information and reservations, apply to Travel Agents or Frank W. Regan, Believue Hotel, Belleair, Florida.

All year—Garden City Hotel, Garden City, L. I., N. Y. Summer—Hotel Champlain, Bluff Pt., N. Y.

Her beauty will fade in a season or two



It's a dreadful moment when you watch your dentist mark up his ominous extraction chart.

Don't wait until there's a "deadline" on your teeth. See your dentist regularly. And give your teeth scientific protection. This means more than merely cleaning them. It means care of your gums as well. For gum-neglect robs more adults of teeth than any other cause.

Brush your teeth and massage your gums twice daily with Forhan's tooth paste that protects your gums as it cleans your teeth.

Originated by Dr. R. J. Forhan, for 26 years a pyorrhic specialist, Forhan's contains his special preparation long used by dentists everywhere for the care of the gums.

Ask your druggist for Forhan's today. There's "an ounce of prevention" in every tube.

Forhan's

The original tooth paste for GUMS and TEETH

TAKE A SUNSHINE



WEST INDIES and SOUTH AMERICA

18 days from \$210.00
Jan. 31 BRITANNIC
Feb. 7 GEORGIC
Feb. 20 BRITANNIC
Mar. 20 GEORGIC
15 days from \$177.50
Mar. 11 BRITANNIC
9 days from \$100.00
Mar. 27 BRITANNIC
Apr. 10 GEORGIC

NASSAU SERVICE

CARINTHIA 6 days from \$70.00
Sailing every Saturday from Jan. 25 to Mar. 25, inclusive

NORTH CAPE CRUISE

June 30 CARINTHIA
from \$45.00

Regular sailings during the winter from New York, Boston and Halifax to England, Scotland, Ireland and France.

See your local agent, no one can serve you better, or more truly.

CUNARD WHITE STAR LIMITED

217 Bay Street (Odeon 3421) Toronto

Caribbean CRUISES VIA

m Lafayette

LEAVING FEBRUARY 7 & 28

St. Pierre - Fort-de-France
Trinidad - La Guayana - Cartagena
Cristobal - Kingston
5192 miles in 17 days. \$200 up.
LEAVING MARCH 20
Nassau - Kingston
Port-au-Prince - Bermuda
3641 miles in 11 days. \$135 up.

BERMUDA CRUISES APRIL 2 & 8

5 days. \$65 up.

Information from your travel agent or

French Line
53 Richmond St. West
Toronto
1196 Phillips Place
Montreal
Special Rail Fares Applying.

People Who Do Things

THE statement that all you have to do is to make a better mouse-trap and the world will beat a path to your door might have had some validity before the modern era of persuasive salesmanship. In these days, however, you have not only to make a good mouse-trap, but you have also got to be a good mouse-trap salesman, and you have got to do a good deal of running around selling your mouse-traps. In fact, it is the mouse-trap man who beats the path to the world's door now-a-days, and the world pays him well for doing it.

The average Canadian, if asked to enumerate a list of the manufactured articles which he considered most likely to be successful if exported from Canada on a large scale, would probably not think of including electric ranges. But that would be because he does not fully realize how good Canadian electric ranges are when compared with the electric ranges of the rest of the world, nor how much energy and brains at least one Canadian electric range manufacturer has put into the business of selling them to the rest of the world.

IT IS natural that Canada should take the lead in the manufacture of this particular piece of household equipment. To have a market for electric ranges, you must first have a supply of cheap electricity for domestic use. Canada happens to have led the world in the business of making electrical current available to the domestic consumer at low rates, and eastern Ontario is the part of Canada in which that experiment was first tested and brought to a successful conclusion, speedily became the possessor of several highly progressive and noted electric range factories.

The Canadian export trade in electric ranges, however, is largely the work of one man, Mr. T. L. Moffat, of Weston, Ont. The Moffat family has been engaged in the manufacture of cooking appliances in Ontario for over half a century. With the introduction of Hydro in Ontario, they went into the manufacture of electric ranges, progressing until today, against the competition of American, British, and other manufacturers, they have succeeded in making those ranges famous and popular in almost every part of the world where electric current is available in terms that make electric cooking possible. Even admitting that these ranges are wood, one still feels that it must have been quite an achievement to put over in so many different parts of the world the idea that a Canadian electrical range is a little better value for the money than anybody else's. That is not an idea that would naturally present itself to the average Australian, or South African, or Indian, or Spaniard. But this difficulty does not seem to have deterred Mr. Moffat at all. He knew his ranges were good for Canadians, he saw no reason why they should not be good for All-English, and so he went out to find who to find his best market in Australia and New Zealand.

MEANWHILE the introduction of the grid system of electrical distribution had greatly reduced the cost of electrical energy to domestic consumers throughout the British Isles, and opened up a tremendous market there for electrical appliances. This was too large an affair to be dealt with by export from Canada, and the Moffats decided to open their own factory in Great Britain, selecting a location at Blackburn in Lancashire. It was another case of Moffats discovering a new market in the process of opening up, and getting into it a little ahead of the other fellow. The British factory is now being very ably managed by Mr. T. L. Moffat's second son, Donald R. Moffat. In the Irish Free State, where another large market has been opened up by the energetic electrical development policy of the Irish Government, the Moffats have also been very successful with ranges exported from Canada.

INCREDIBLY that Australian trip which ended up in New Zealand had results which now extend far beyond the side of Canadian exports to the people of the Antipodes. It is a good thing to sell Canadian goods to the New Zealanders, it is also a good thing for Canadians to buy more from the New Zealanders in order that they may have more money to buy ranges from us. In the course of Mr. Moffat's contacts with the leading people in New Zealand, it is his invariable practice to get to know everybody whom he can possibly get to know within the time limits of his stay. The New Zealand government found his tip a description of the Canadian National Exhibition at Toronto, about which their ideas had been vague and cloudy, and as a result they sent Mr. J. W. Collins to this trip with a remarkable collection of New Zealand products for display at that exhibition. Mr. Collins' visit resulted in his suggestion that he was later appointed by the New Zealand government as a permanent representative of that exhibition on the North American continent.

South Africa's adaptation to the Canadian electric range model by Mr. Moffat has been made from New Zealand. South Africa, it might be added, is one of the greatest consumers and users of electric power in the world, and at the present time after some ten years of American influence has the number of Moffat ranges in use in that Republic to well into thousands.

THE next adventure, moving out of Canada into the more natural Canadian market of the West Indies began with the British Empire Trade Exhibition in Buenos Aires, Argentina. Although this was in a sense a great British exhibition, in that it was largely run by the British industry, the overseas to have been an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

to know about getting an opportunity of presenting the Moffat range, the news of Moffat's penetration of the southern Hemisphere had spread to cover Britain and the British empire, though it would be interesting

SECTION III

SATURDAY NIGHT

BUSINESS

» FINANCE

» GOLD & DROSS

» INSURANCE

» THE MARKET

*Safety for
the Investor*

TORONTO, CANADA, JANUARY 18, 1936

P. M. Richards,
Financial Editor

TRADE GAIN NEEDED FOR CANADIAN RECOVERY

Canada's Drop to Ninth Position in World Trade Caused by Slump in Prices of Primary Products—New Uptrend is Aiding Both Foreign and Domestic Buying Power

BY ALBERT C. WAKEMAN

A DROP from fifth to ninth position among the trading nations, and from a total foreign trade of \$2,547 millions in the peak year 1928 to \$927 millions in the low year 1933—that was in brief the painful story of how our foreign commerce was affected by the world depression. In 1934 we ousted Italy to get back to eighth position, with a gain of \$232 millions in the combined value of our exports and imports. In 1935 there was a further improvement in the volume of trade, in Canada as in most other countries, but figures are not yet available to show our relative position.

The whole story, in greater detail, merely goes to show that with Canada, as with most other commercial nations, foreign trade is part and parcel of existence and that our return to prosperity must be accompanied by, in fact to some extent caused by, a recovery in what we sell and in what we buy outside of Canada.

It was the especially severe drop in prices of grains, lumber and other leading Canadian exports that played havoc with our status and our buying power in the world markets. It will take a corresponding recovery in these basic commodities to restore our position. Already a trend in that direction is under way, and it has helped to increase the value of our exports, and thereby to widen our import trade.

Study of world trade figures for recent years brings to light a number of interesting facts. First of all, a surprising volume of commerce survived the barrage of high tariffs, artificial valuations, juggled currencies and uncertain exchanges. Second, the greater stability in prices and markets for manufactured goods as compared with the raw materials, enabled certain countries making the former to replace some of those selling the latter, in respect to total trade. And third is the fact that a pronounced recovery is already under way, and that Canada has already begun to edge up to a higher rank in the list.

HERE is the record, in millions of dollars, of the value of total trade of twenty leading countries each year. The total for 1934 has been estimated on the basis of available figures for twelve of the countries, and may therefore be taken as nearly exact. The total for 1935, however, is merely an estimate on the basis of ten or eleven months' figures of the United Kingdom, the United States, and Canada.

	Millions \$	Millions \$	
1923	39,772	1930	40,294
1924	43,451	1931	28,007
1925	47,673	1932	21,860
1926	45,865	1933	24,130
1927	48,034	1934	37,100
1928	48,152	1935	28,250
1929	50,754		

There is no authoritative figure of total world trade, because there are so many small or loosely organized countries with some trade but without definite trade statistics. Most of their trade in any event is with one or other of the more important trading countries, and the total for the twenty of these therefore may not be far short of the mark. It should also be pointed out that a summary of this kind is merely a statistical total. Imports of the United Kingdom, for instance, are included in exports of other countries. If these twenty nations did all their trade with one another, the total could be cut in half.

THE statistical total follows a trend quite close to that of other business indexes. The gain from 1923 to 1929 was a little over 50 per cent., and 1929 as a peak year, and 1932 as the depression low, correspond to records of domestic production in several countries, but the drop in international trade of well over 50 per cent. during this interval was a little more severe than were the declines in most phases of internal business. This well illustrates the particular handicaps imposed on foreign trading as part of the effort of most countries to preserve their own markets for their own producers during this period.

Actual figures for the twenty nations show a recovery of 11 per cent. in 1933. All estimates made as mentioned above indicate about 14 per cent. gain in 1934, and a further five per cent. gain in 1935. At that, world trade for 1935 remains far below the total for 1923; it has not yet come back to near the extent that domestic trade has revived in most countries. The recovery pace in domestic business thus far leads to the hope that 1936, or at least 1937, will be about normal years in the United States and Canada. But world trade would have to be boosted

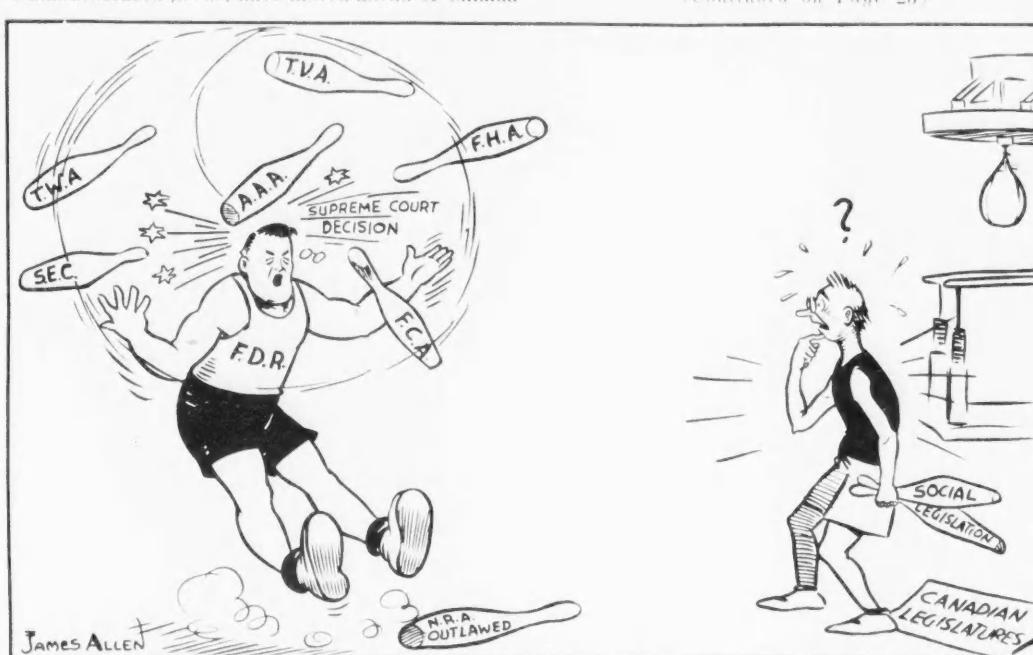
enormously to come up to the average of about 44 billion dollars for the 1923-29 period.

The most interesting point of all, however, is the shifting in the ranks of the leading nations. The accompanying table lists the twelve leading countries in order of international trade in 1923 and in 1934 respectively. The most notable fact is that Belgium and Japan, countries which specialize in the export of manufactured goods, have moved ahead of Canada

and India which depend mainly upon sales of grains, etc., for their purchasing power in world trade.

The United Kingdom gave place temporarily to the United States in 1926-29 inclusive, which years marked the peak in United States foreign commercial and financial dealings. The greater stability of British connections has counted, however, and 1934 showed a total of \$5,376 millions of trade for the

(Continued on Page 25)



CONSUMER IS LOSER BY CODES

Canada's Supreme Court Reviews Legislation—Does Criminal Code Put Stigma on Trade Practices ?

BY DALTON J. LITTLE

THE eyes of the Canadian business world are focused on Ottawa this week where the Supreme Court of Canada is sitting in judgment on the constitutionality of the so-called social legislation passed by the Bennett Government last year.

There are at least six acts of parliament on which reference, as to the competency of the federal power to enact, has been made to the court by the present Dominion Government. Every one of these measures is so far-reaching in its purport in relation to business enterprise, and in fact to our whole economic and social structure, that the decisions of the Supreme Court will be awaited with keen interest.

Business men will have learned with satisfaction of the opposition registered by Ontario to the insertion in the criminal code of Section 498A, which makes it a criminal offence for a vendor to discriminate in selling by granting one buyer a larger rebate than another in respect of a sale of goods of like quality and quantity.

This section reads in part as follows: "(1) Every person engaged in trade or commerce or industry is guilty of an indictable offence and liable to a penalty not exceeding one thousand dollars or to one month's imprisonment, or, if a corporation, to a penalty not exceeding five thousand dollars, who

(a) is a party or privy to, or assists in, any transaction of sale which discriminates, to his knowledge, against competitors of the purchaser in that any discount, rebate or allowance is granted to the purchaser over and above any discount, rebate or allowance available at the time of such transaction to the aforesaid competitors in respect of a sale of goods of like quality and quantity. The provisions of this paragraph shall not, however, prevent a co-operative society returning to producers or consumers, or a co-operative wholesale society returning to

its constituent retail members, the whole or any part of the net surplus made in its trading operations in proportion to purchases made from or sales to the society."

IN A WORD this section of the Code permits

merchandise to be sold in large quantity at a lower price than goods sold in small quantity, but does not allow the sale of goods at a lower price for any other reason. The retailer who is able to make a large purchase of any given quality of merchandise from the manufacturer or wholesaler, although he may make only occasional purchases at irregular intervals, has the advantage over the distributor who has not the facilities for handling large quantities of goods but who takes the same quality product regularly in smaller lots. The size of the individual order governs entirely. The former purchaser may not pay his accounts so promptly as the latter, he may be irregular or indefinite in taking delivery, and in many ways he may be a less desirable customer of the manufacturer but the new law says he must receive precisely the same treatment.

Large distributing organizations such as department stores, proprietary chain stores and voluntary chains are an important factor in retailing. In so far as they assist the primary producer and the manufacturer to market their commodities at a minimum of cost the consumer clearly benefits.

The amendment to the criminal code has been drafted to assist the smaller retailer, but without regard to the consumer. By prohibiting certain discounts, rebates and allowances to many of the best retailers the price of merchandise must increase to them, and they in turn will be forced to charge the public higher prices.

(Continued on Page 28)

BUSINESS AND MARKET FORECAST

BY HARUSPEX

DOW JONES AVERAGES—NEW YORK STOCK MARKET

	Industrials	Rails
July 8 32	41.22	13.23
Oct. 21 33	83.64	27.31
Nov. 19 35	148.44	41.84
Dec. 19 35	146.52	43.27
	138.94	39.43
	2,600,000 shares	
	3,040,000 shares	

Average daily volume—6 days ending January 6th
Average daily volume—6 days ending January 13th

THE PRIMARY TREND OF STOCK PRICES HAS BEEN UPWARD SINCE JULY 1932.

INVESTORS AND SPECULATORS for weeks have been urged to exercise caution. Volume is rising, and the market generally is moving upward, but don't forget that the current movement is on top of a ten months' rise uncorrected by any substantial reaction. "No tree ever grows to the sky." If, however, both averages can go ahead decisively through "C", we may then witness another market phase with prices higher than ever.

EASY MONEY CONDITIONS the past week have driven the Dow-Jones bond averages to 100.16, the highest point reached since the commencement of their compilation in 1915. It may later appear that this is the driving force behind the extended market rise under way since March last. The extension of the upward movement of the Rail averages is the most comforting feature of the rise. If continued it is a significant portent favorable to general business.



THIS column suspects that Mr. Roosevelt's feelings have not really been hurt very much by the Supreme Court's New Deal invalidations; that he may think himself fortunate in having that body take over responsibility for the withdrawal of these trouble-making measures. How his prospects for re-election are affected is not yet clear; the tide of public sentiment seemed to have turned from Roosevelt before the Court's AAA finding was announced. Presumably this is due partly to public recognition of the considerable progress in recovery achieved since the NRA was killed and to the consequent lessening in the number of persons who would expect to benefit by a redistribution of wealth, and partly to the fact that no government is very popular in time of depression. But whatever the effects on the political situation may be, U.S. business assumes that the New Deal is practically through and feels that long-term recovery prospects are definitely improved thereby.

2 2 2

ONE imagines that the fact that the U.S. has made its best progress since the killing of the codes and price-fixing and that business has gained further confidence from the elimination of AAA will tend to turn people's minds away from fantasies like the Townsend Plan and Social Credit. The rapid increase in number of adherents of both has made sober-minded people do considerable viewing-with-alarm. Where Social Credit stands now in Canada is not very clear. Alberta's citizens are growing restive over Mr. Aberhart's failure to date to implement his election promises, and Mr. Aberhart himself seems still less happy. The fact that he is professedly working to get Alberta's finances into better shape before initiating his "basic dividend" scheme seems to imply a belated recognition on his part that Social Credit is not in itself the complete cure for depression. Also he now seems to be anxious to make it clear that Major Douglas, and not he, originated Social Credit. Mr. Aberhart is only the man who won a premiership by promising electors \$25 a month from public funds. However, Aberhart is certainly working hard for administrative economy, and thus in the long run he may prove to be quite a good, even though disappointing, premier.

2 2 2

THE prairie-fire spread of the Townsend Plan clubs across the United States has been frightening to responsible onlookers. Whereas Alberta Social Credit proposes (or proposed) to pay \$25 a month to everybody, the Townsend Plan undertakes to give \$200 a month to each citizen over 60 years old. The mass of the populace thinks it's a great idea. A huge flow of new purchasing power throughout the country, and no more worry about what's going to happen to you in your old age if you don't save something. A considerable membership in Congress is committed to support of the plan.

2 2 2

COLONEL Leonard Ayres, the Cleveland Trust economist, devotes a good deal of space to the Townsend Plan in his current monthly letter. In regard to the question of where the money to pay the \$200 per month is to come from, he states that if the Townsend Plan had been in effect in 1935, the average income of all Americans over 60 years of age would have been something over \$2,400, but the average income of all those younger than 60 would have been \$2,111. The assumption is that the total national income is all that there is to be divided up, and this, as Ayres says, is clearly a fair and just basis for estimating how the plan would work out in the distribution of income in prosperous years, even if proponents of the plan may claim that its operation would do away with depressions.

2 2 2

JUST how large a part of the national income would be thus disposed of is clearly shown by Colonel Ayres, who takes the actual amounts of the national income for each year since 1880 and shows what income the persons under 60 would have received if all those over 60 had been given \$200 per month. In 1880 the younger people would have received only \$11 per person; by 1920 the figure would have risen to \$57 apiece, by 1930 to \$161, and the peak would have been reached in 1935 with the income of each person under 60 at \$146 a year. The depression low would have been \$154 in 1933. Colonel Ayres disposes of the obvious objection that people under 60 years of age include a large proportion of minors by pointing out that the category of people over 60 includes just as large a proportion of aged persons who do not need to spend as much as they did when younger.

2 2 2

CLEARLY, then, the scheme would not work, unless by some means not now evident it enormously increased the production of goods. The Social Credit scheme is no less fallacious and unsound. To pay \$25 a month, Premier Aberhart would either have to continually create new money and thus practise progressive inflation, which would progressively reduce the value of money until it had no purchasing power left, or he would have to recover his initial disbursement through taxation, which would operate to defeat the end desired by raising production costs and prices, and reducing production and employment.

Order of Importance	1923	1934
1. United Kingdom	United Kingdom	United Kingdom
2. United States	United States	United States
3. France	France	Germany
4. Germany	France	Japan
5. Canada	Canada	Belgium
6. British India	British India	Netherlands
7. Japan	Japan	Canada
8. Argentina	Argentina	Italy
9. Italy	Italy	British India
10. Netherlands	Netherlands	Switzerland
11. Belgium	Belgium	Argentina
12. Australia	Australia	

WE MAINTAIN ACTIVE TRADING DEPARTMENTS SPECIALIZING IN LISTED AND UNLISTED CANADIAN MINING AND INDUSTRIAL SECURITIES.

Our statistical staff would be pleased to answer inquiries regarding all classes of securities.

F. J. Crawford & Co.

Members

Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange Inc.

11 Jordan St. - Toronto
ELgin 2201

GOLD & DROSS

DOMINION BRIDGE

Editor, Gold & Dross:

If I remember correctly you discussed Dominion Bridge in Gold & Dross some months ago and reported favorably on this stock. I didn't buy any at that time and I now forget just what you said. I wonder if you would be good enough to let me have some current information. I notice that the company has just published its annual report and I would like to know what interpretation can be placed on this. I am not familiar with such matters and my idea at present is to buy some of this stock if you think the dividend is reasonably safe and that the company has some chance to build up its earnings. I know it was hit by the depression but I understand that this is a strong, well-managed company and if so it should be good for the long pull.

K. W. R., St. Thomas, Ont.

In my opinion the recently published report of Dominion Bridge for the year ended October 31st last was distinctly encouraging and I do not think you would be making a mistake in buying the common stock at current levels. While the yield is not high—3.4 per cent. at 35—the price advance of around 11 points from the 1935 low indicates the possibilities for appreciation. It is true, of course, that Dominion Bridge is faced with the prospect of continuing to pay the \$1.20 annual dividend out of surplus for some time to come; however, not only will this be quite possible because of the strong financial position, but it seems reasonable to anticipate that increasing earnings should materially reduce this drain on resources.

More significant than the fact that the company was able to show earnings of just under 7 cents per share on the common as against a deficit of 3 cents in the preceding year was the 78 per cent. gain in new business entered on the company's books. While government relief spending was an important factor in this increase, industrial orders showed a gain of 21 1/2 per cent. and miscellaneous and warehouse orders went up by 41 1/2 per cent. Restoration of real prosperity for the company will depend, of course, on resumption of expansion in the heavy construction industry in Canada. Progress here may be moderate, but coupled with the generally regained business confidence in the future, which leads to such expenditures, is the accumulated demand caused by obsolescence and absence of capital commitments during the depression years.

Dominion Bridge is an excellent example of a conservative financial management, which builds up large resources during periods of prosperity and permits continuation of distribution to shareholders even when not covered by actual earnings. The company's per share record since 1929 has been as follows: 1929, 85.46; 1930, 83.86; 1931, 83.23; 1932, 81.49; 1933, 80.93; 1934, a deficit of 3 cents, and last year earnings of 7 cents. The generous dividend policy is shown by payment figures as follows: 1929, 83.05; 1930, 83.60; 1931, 83.30; 1932, 82.25; 1933 and 1934, 82, and 1935, \$1.20. Continued maintenance of the strong financial position is shown by the balance sheet figures as of October 31st last. Total current assets stand at \$8,041,008, of which cash was \$509,933 and Government and other bonds \$4,762,718 (less than market value), against total current liabilities of \$814,519. Net working capital at \$7,226,489 actually showed a slight increase over the \$7,212,188 a year before, and equity per share on the capital stock amounted to \$38.02 or approximately 84 above the current market valuation. Surplus, while reduced naturally by dividend payments in recent years, still stands at \$2,440,150.

I believe, therefore, that reliance can be placed on continuation of dividend disbursements on the capital stock of Dominion Bridge, and while I do not anticipate that the current rate will be earned during the present fiscal year, larger distribution will be made when earned, as has been the policy in the past. There is no doubt as to Canada's need for important construction of major projects and as the gloom of depression is dispelled, these will be undertaken. An equity in such a soundly established and well-managed company as Dominion Bridge should steadily increase in value during the coming years.

2 2 2

STURGEON RIVER GOLD MINES

Editor, Gold & Dross:

I should like to have you give me some information respecting Sturgeon River Gold Mine. I understand it is a narrow, high-grade vein. Do you think that this can ever be worked at a profit, or are there any narrow veins being profitably mined in Canada today?

W. J. R., Moose Jaw, Sask.

Sturgeon River Gold Mines is under development by the Cominco Mines, a long-established silver operator at the old Cobalt Camp. Sturgeon River Gold Mines has an authorized capitalization of \$3,000,000 shares of which 1,000,000 shares were paid for the property. At last reports some 1,210,000 shares had been issued to finance development work to date and if and when additional options are exercised a further \$3,000,000 will be provided on the company. At the present time four levels are being developed and last reports were that 1,318 feet of ore were encountered on the four levels averaging 850 per ton in gold across an average width of 8.8 inches. A new problem is presented in operating this property with its narrow veins, as little previous experience has been had in Ontario with a narrow, high-grade vein. That the property will be successfully worked is altogether likely in view of the capability of the management. The question yet to be determined is what dilutions will take place in mining.

While there has been no official statement that the mill would be constructed, development is fast reaching the point where the company's ore position will decide a production policy. The technique of mining narrow veins, while new in Ontario, has proven a profitable undertaking in many old California mines and indications are that Ontario operators will have to reconcile themselves to the possibilities of narrow, high-grade veins, but in working such properties high efficiency will have to prevail and any idea that these narrow veins will provide worth-while earnings on a high capitalization dismissed. With a modest capitalization, a modest tonnage milling operation gives definite hopes of profit, opening up an entirely new field of mining effort that has been rather tardy in demonstrating its importance because we have come to think in terms of large tonnage operations such as Hollinger and

Noranda and to ignore the possibilities of smaller operations from narrow veins.

In addition to the Nos. 3 and 10 veins which have only been partially developed, there are parallel veins that give promise. The sorting out of waste rock from the ore should make mill heads of close to one ounce grade. That is, if 150 tons of ore are milled it is likely that close to 100 tons could be sorted out before reaching the crushing stage. In terms of the ore milled, total costs may seem high, probably \$15 or \$20 per ton, but with one ounce ore a handsome profit would accrue.

The only operation comparable with Sturgeon River is that of the Northern Empire at Beardmore, and from a mining point the indications are that Sturgeon River is more favorably situated. I believe we will hear a great deal in the future about mining narrow, high-grade, consistent veins.

2 2 2

BANKFIELD GOLD MINES

Editor, Gold & Dross:

As an old reader of Saturday Night I would be very grateful if you would give me some information concerning the Bankfield Gold Mines and express your opinion of the future prospects for this property.

W. A. T., Green River, N.B.

Bankfield Gold Mines is continuing developments at its property adjacent to the Little Long Lac Gold Mines in the Little Long Lac area of Ontario. Recently the shaft was completed to a depth of 525 feet and the fourth level established at 500 feet, where lateral work is now under way. On the 150-foot level, two ore shoots have been partially developed, one 150 feet long averaging 1,476 ounces of gold per ton over an average width of 5.8 feet; the other ore shoot was 80 feet in length and averaged .29 ounces over a width of 10 feet. On the 275-foot level, one ore shoot 295 feet in length averaged .13 ounces for a width of 5.3 feet.

Latest information respecting the company is that it has arranged refinancing by the organization of a new company with 3,000,000 shares capitalization of which 2,000,000 shares will be issued to the old shareholders on the basis of two new shares for each three shares previously held. This assures sufficient funds for bringing the property into production, if and when development work finally determines that such a policy is justified.

Original development work was not of a particularly reassuring nature and it was not until the past fall that better results were obtained, indicating that the property has mine-making importance. If results on the two lower levels now being attacked are comparable with the upper two levels, and doubtless a production program will be announced.

2 2 2

FROST STEEL AND WIRE

Editor, Gold & Dross:

My investment list is a pretty conservative one, thanks to your good advice over a period of years and I now feel in the mood of stepping out a bit. My attention has been directed to the possibilities of some of the preferred stocks on which dividends are in arrears and where the company appears to be coming along well. It has been suggested to me that I buy some of the first preferred stock of the Frost Steel & Wire Company, Ltd., on which I am told there is an arrearage of just under \$20. I am informed that this company is now paying the regular dividend rate and that its general position is strong. Further, I understand that there are prospects for larger earnings and that the arrearages can be paid off. I would appreciate very much receiving your views on this speculation, together with whatever earnings or other figures you may have available.

—K. P. W., Perth, Ont.

Under the circumstances which you outline I think that the 7 per cent. first preferred of Frost Steel & Wire would be an attractive current buy for you. Your general understanding of the picture is correct; after a number of exceedingly lean years the company appears to be definitely on the upgrade and well under way toward the restoration of its normal earning power. It is correct that dividends have been paid at the full \$7 rate during the past year, the last payment of \$1.75 having been made on January 2 of this year. Arrearages, following this payment stood at \$19.25 per share and current market quotations for the first preferred are 90 1/4. It is my view that the company should not only be able to continue the regular rate, but that eventually the preferred arrearages will be paid off in cash. Incidentally, no dividends may be paid on junior securities until all accrued dividends on the first preferred have been cleared off.

For the year ended October 31, 1935, the company reported a notable increase in earnings, per share on the preferred amounting to \$6.85, not including profit on securities sold during the year, which would have brought the amount to \$7.06. In the previous year, per share had been \$2.51 while in 1933 there had been a deficit of \$7.29, in 1932 a deficit of \$2.68, in 1931 a net of \$1.22, in 1930 a net of \$19.04 and in 1929 a net of \$19.72. The latter figures are important in that they reveal the company's potential earning power; as a matter of fact earnings had averaged more than twice dividend requirements on the first preferred for many years previous. Throughout the entire depression the company has been able to maintain an exceedingly strong financial position, which will naturally aid in early clearing off of the preferred arrearage. As of October 31, last, the balance sheet showed total current assets of \$704,410, of which cash was \$22,798, marketable securities \$194,966, receivables

NOTICE TO READERS

Saturday Night's Investment advice service is for the use of paid-in-advance mail subscribers only. Saturday Night regrets that it cannot answer inquiries from non-subscribers.

Each inquiry must positively be accompanied by the address label attached to the front page of each copy of Saturday Night sent to a regular subscriber, and by a stamped, self-addressed envelope.

Each letter of inquiry should refer to one company or security only. If information on more than one company or security is desired, the sum of fifty cents must be sent with the letter for each additional company or security inquired about. If such additional inquiries relate to mining or insurance matter, they should be written on separate sheets of paper.

Inquiries which do not fulfil the above conditions will not be answered.

Individual Investment Requirements

It is the aim of this organization to make such investment suggestions as will best suit the specific requirements of individual clients.

Inquiries are invited at our Branch nearest to you

A. E. AMES & CO.
LIMITED

Business Established 1889

TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility and Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, Eng.

15 King Street West, Toronto

International Power Company

Limited

6% Secured Debentures

Due Jan. 1, 1955

A public utility security showing a wide margin of earnings over interest charges, and giving an attractive yield.

Price: 100 and interest, yielding 6 1/2

Particulars on request.

Royal Securities Corporation

Limited

244 St. James Street
Montreal

330 Bay Street
Toronto 2

Offices throughout Canada; also in New York and London.

WRIGHT-HARGRAVES

Special analysis available upon request

J. E. GRASSETT & CO.

Members The Toronto Stock Exchange

302 BAY ST.

WAVERLEY 4781.

TORONTO.

Branch Office:

2822 Dundas St. W. at Heintzman Ave. JU. 1167

A. E. OSLER & CO.

ESTABLISHED 1886

MEMBERS TORONTO STOCK EXCHANGE

MEMBERS CANADIAN COMMODITY EXCHANGE

We have prepared an analysis on one of the promising junior gold properties which we will be pleased to mail on request.

OSLER BLDG., 11 JORDAN ST., TORONTO

ELGIN 3461

MARA & McCARTHY

Toronto Stock Exchange
Members Montreal Curb Market
The Canadian Commodity Exchange Inc.

LEIGH M. McCARTHY H. G. DAVIDSON JOHN A. MARA
CARSON MCGOWAN H. G. STANTON

320 Bay Street, Toronto

Established in 1889
J. P. Langley & Co.
 C. P. Roberts, F.C.A.
 Chartered Accountants
 TORONTO — KIRKLAND LAKE

3½%
 INVESTMENT
 DEBENTURES

Issued in sums of \$100 and upwards for terms of from 5 to 10 years. Canada Permanent debentures are a Trustee investment.

FOUNDED 1855

**CANADA
 PERMANENT
 Mortgage Corporation**
 320 Bay Street, Toronto
 Assets exceed \$69,000,000.

MINES

BY J. A. MCRAE

GOLD has been thrust more conspicuously into the international picture as a result of the repudiation of Roosevelt measures by the Supreme Court of the United States.

O O
 The Supreme Court long since endorsed the powers of the President to lower the value of American currency—resulting in upward revision in the value of gold as measured by the dollar of the United States. Having given powers to the government to reduce the dollar to a value of 50 cents and to raise the price of gold to \$41.34 an ounce from the old standard of \$20.67, it would now appear as though the present Administration at Washington is free to go further along this road of lower currency value and a still higher price for gold.

O O
 If the Supreme Court continues not only to shoot holes in certain key measures undertaken at Washington, but to almost annihilate the alphabetical deck of cards which the Administration has been shuffling, the opinion may be not far from the mark when it points toward the one remaining weapon in the hands of the President, namely, higher gold and still further depreciation of the dollar.

O O
 Lake Shore net profits for 1935 probably exceeded \$10,000,000 according to preliminary estimates. The company paid \$8,000,000, or \$4 per share, in dividends during the year, and is believed to have added over \$1,000,000 to surplus. This may point toward higher dividends.

O O
 Lake Shore accomplished this in spite of having continued a program of salvaging all the lower grade ore possible from old upper levels.

O O
 Dome Mines has disclosed a particularly wide ore zone and is understood to have greater ore resources indicated than at any former time in its history. Some of the ore in the wide zone is high-grade.

O O
 Macassa had an output of a little more than \$1,000,000 during 1935. A feature is that during the closing two months the output averaged over \$100,000 per month. The mill is handling over 6,000 tons a month at present.

O O
 McKenzie Red Lake produced \$46,000 during December from 4,000 tons of ore.

O O
 McIntyre-Porcupine has ore resources in sight valued at around \$40,000,000 according to present indications. It is only a few years ago that Hollinger ore reserves had very little more value than the McIntyre resources at present.

O O
 Hollinger prosperity is reflected in the bonus of 5 cents per share to accompany the January 28 dividend of 5 cents. This will involve payment of \$492,000 for the four weeks.

GOLD & DROSS

\$197,592 and inventory \$248,146, against total current liabilities of only \$39,880.

While Frost Steel and Wire has a diversified line of wire products, its chief output is wire fencing which is sold principally to farmers. It has naturally been badly hit by the greatly reduced purchasing power of the farm community, but in this regard the outlook is brighter than for the past five years. Not only are prices of farm products higher, but much is expected from the new Canada-U.S. trade treaty. The company maintains distribution throughout Canada and thus should not be seriously affected by "spotty" conditions. In general volume of farm sales is the most reliable barometer as to Frost Steel and Wire's profits and I consider the outlook here sufficiently promising to warrant current purchase of the company's first preferred.

POTPOURRI

A. E. Beamsdale, Ont. I do not think that you need have the slightest worry as to any "repudiation" in connection with bonds of the DOMINION OF CANADA. The change of government will have no bearing whatsoever in this respect. On the other hand, there is no reason why you should not, as you suggest, dispose of your present holdings at a good profit and reinvest in other securities. I agree with you that sound industrial common stocks are currently good buys, but it is also true, as you point out, that in a number of instances these are selling at fairly high prices. I take it from your letter that you wish to be conservative and I suggest to you as an excellent investment the 5 per cent. preferred stock of GOODYEAR TIRE AND RUBBER COMPANY OF CANADA. Other stocks which I consider to be good buys at the present time are those of STEEL COMPANY OF CANADA, LOBLAW, IMPERIAL OIL, IMPERIAL TOBACCO, BRITISH AMERICAN OIL, and FANNY FARMER.

E. J. Y. North Bay, Ont. Of your list of mining issues I cannot find one whose stock has any value today or for which any market exists. The Algonquin mine was succeeded in 1933 by the CONSOLIDATED ONTARIO GOLD MINE, the old shareholders receiving one new share for each ten shares held. The Consolidated Ontario Gold Mine has not better status than the Algonquin, so it is hardly worth your effort in making the transfer.

C. J. Vancouver, B.C. In switching, as you propose, from Dominion Bridge to SHERWIN-WILLIAMS, I would advise you in my opinion acquiring a security which, despite its senior position, is considerably more speculative. Sherwin-Williams is currently paying the full \$7 dividend on the preferred stock, but the annual report covering the year ended August 31st, showed per share earned on the preferred amounting to only \$5.94. This was, however, after a depreciation provision equivalent to over \$1.50 a share, which would indicate the dividend covered on a cash basis alone. In my opinion, it is quite probable that the company will be able to maintain full distribution on the preferred, but certainly current earnings do not indicate any near term possibility of dealing with the arrearages which amount to \$14 per share. To me it seems only reasonable that this well established company should share in the general business upturn and the existence of the arrearages adds, of course, to the speculative attractiveness of the preferred. The company's balance sheet position is strong, net working capital at \$3,851,436 being equivalent to more than \$100 per share on the preferred stock. Current assets of \$4,188,771 are over 15 times current liabilities of \$317,335. Cash is shown at \$738,860 and marketable securities at \$253,397.

B. V. D. Vermilion, Alta. You apparently missed comments that appeared in Gold & Dross respecting PAMOUR PORCUPINE MINES. Doubtless this is a big mine in the making, under direction of experienced mining men and has ample financial resources, but present prices seem to be discounting the operations and profits of the company too far into the future.

H. J. L. Windsor, Ont. While HOWEY's production and consequent earnings have been down considerably this past few months, I am hopeful that the next few months will show an improvement due to the particular low cost mining method employed. It enjoys excellent management and I think its shares are moderately priced considering its potentialities.

W. M. Toronto, Ont. I would consider the capital stock of CREOLE-PETROLEUM CORPORATION to be speculatively attractive. The company is a holding company for subsidiaries developing oil projects in Venezuela, and its stock is traded in on the New York Curb Exchange. The company is controlled by Standard Oil of New Jersey, which owns over 3,025,000 shares of the 6,974,356 shares issued. The company has apparently been steadily increasing its output, from its producing properties, 1934 production having been over 19,000,000 barrels as against 13,000,000 in the year 1933, 11,000,000 in 1932 and 8,000,000 in 1931. I have no record of any dividend disbursement but the president of the company at the annual meeting in May of this year stated that "We will pay dividends in due course of time." In the year ended December, 1934, the company showed earnings of 76 cents per share on its capital stock, against 59 cents in 1933, 30 cents in 1932, and a deficit of 65 cents in 1931. The company's balance sheet position is strong, the last report showing total current assets of \$6,477,451 of which cash was \$322,355 and crude oil \$419,312. Current liabilities were \$1,303,011 and equity per share on the capital stock was \$8.25.

W. D. W. Toronto, Ont. RED LAKE GOLD SHORE is an interesting prospect under capable management. Development to date has certainly shown interesting ore bodies. The probabilities are that the property will be launched into production this year. The financial sponsors have met all payments on due dates and I do not anticipate any trouble in financing. The property is located adjoining the Howey Gold Mines, which has been in production for several years. I am fairly optimistic regarding the company, but it must be understood that a great deal more work has to be done before it reaches a profitable basis.

A. M. Shawinigan Falls, Que. There is not, to my knowledge, any public investment interest in any company operating solely in the TELEVISION field on this continent at the present time. If you are particularly interested in television, I would suggest that you direct your attention to RADIO CORPORATION OF AMERICA which has done possibly the greatest amount of experimentation in this field. Considerable progress has been made during the past several years and R.C.A. is engaged at the present time in a \$1,000,000 field test of television. Final conclusions on the experiment will probably not be available before the end of next year at the earliest. While television appears definitely in prospect, nevertheless it is generally believed that two or three years must elapse before there is any large scale development. Introduction of television will undoubtedly cause radical readjustment in the present type of equipment in use. It is more than likely, however, that the expense of both the broadcasting and receiving equipment will probably be very high during the early stages and profits from its development are not likely to accrue for at least three or four years.

L. S. Sudbury, Ont. I am not greatly impressed with the outlook for BIDGOOD KIRKLAND GOLD MINES. It is an old, old property that has had many reorganizations and has taken on new significance only due to the present price of gold. A responsible engineer made a report a couple of years ago and gave the company some ore which evidenced profits to pay for a 50-ton mill. I consider the shares too speculative except for those that are prepared to lose. The property is well removed from the profitable producing section of Kirkland Lake and the fact that the Premier Gold Mining Company, one of our leading operators, had a look at the property this summer and did not exercise this option would make me

cautious as to its outlook. TOBURN GOLD MINE is the most easterly producer on the main branch of the Kirkland Lake Camp. It was Kirkland Lake's first gold mine which saw much promotion and several attempts at operation. With the present price of gold and the capable management of the Premier Gold Mining Company it has been launched into profitable operation, but I believe it must be considered largely a salvage operation and present dividends must be considered largely as a return of capital rather than interest on the investment. I foresee very little speculative attraction in the shares. Why not purchase shares in the parent company and get a diversification of interests?

C. V. Winnipeg, Man. I have never had a particularly high opinion of INTERNATIONAL UTILITIES CORPORATION and this company is distinctly of the type of utility holding company which has been in disfavor with the current administration of the United States Government. I think, however, that you might as well hold at least until the 1935 figures are available since the present prices for your securities are so low. The "A" stock is currently quoted at around 53¢ and "B" at 89 cents. In the year ended December 31st, 1934, the company reported a deficit of \$1.68 on the class "A" stock against 72 cents in the previous year and on the "B" stock a deficit of 15 cents against a deficit of 24 cents the previous year. Some time ago, however, directors of the company declared a dividend of \$1.25 a share on the \$7 prior preferred stock and a dividend of 62½ cents a share on the \$3.50 prior preferred stock, series 1931, both paid November 1st to holders on record October 23rd of this year. On August 1st of this year dividends of 87½ cents and 13½ cents a share, respectively, were paid. Giving effect to the last distribution, the arrears on the \$7 prior preferred amounted to \$6,621 a share and on the \$3.50 preferred amount to \$3,314 a share. The increase in distribution on these senior issues would seem to indicate that the company's income was improving, but frankly I am not particularly impressed by the outlook for the junior securities which you hold.

J. A. T. Toronto, Ont. The future of WAITEMULE MINES seems so vague that I think you are best advised to take advantage of the prevailing market and switch into some active property. The company is controlled by experienced mining interests of integrity but the outlook for copper and the company's ore position, together with the complex nature of the ores, to me lend very little attraction to the enterprise. This, together with a mortgage indebtedness covered by bonds of \$155,000, a prior claim to the common stock with no visible means of repaying it, further complicates the worth of the shares.

E. J. Y. North Bay, Ont. Of your list of mining issues I cannot find one whose stock has any value today or for which any market exists. The Algonquin mine was succeeded in 1933 by the CONSOLIDATED ONTARIO GOLD MINE, the old shareholders receiving one new share for each ten shares held. The Consolidated Ontario Gold Mine has not better status than the Algonquin, so it is hardly worth your effort in making the transfer.

C. J. Vancouver, B.C. In switching, as you propose, from Dominion Bridge to SHERWIN-WILLIAMS, I would advise you in my opinion acquiring a security which, despite its senior position, is considerably more speculative. Sherwin-Williams is currently paying the full \$7 dividend on the preferred stock, but the annual report covering the year ended August 31st, showed per share earned on the preferred amounting to only \$5.94. This was, however, after a depreciation provision equivalent to over \$1.50 a share, which would indicate the dividend covered on a cash basis alone. In my opinion, it is quite probable that the company will be able to maintain full distribution on the preferred, but certainly current earnings do not indicate any near term possibility of dealing with the arrears which amount to \$14 per share. To me it seems only reasonable that this well established company should share in the general business upturn and the existence of the arrears adds, of course, to the speculative attractiveness of the preferred. The company's balance sheet position is strong, net working capital at \$3,851,436 being equivalent to more than \$100 per share on the preferred stock. Current assets of \$4,188,771 are over 15 times current liabilities of \$317,335. Cash is shown at \$738,860 and marketable securities at \$253,397.

B. V. D. Vermilion, Alta. You apparently missed comments that appeared in Gold & Dross respecting PAMOUR PORCUPINE MINES. Doubtless this is a big mine in the making, under direction of experienced mining men and has ample financial resources, but present prices seem to be discounting the operations and profits of the company too far into the future.

H. J. L. Windsor, Ont. While HOWEY's production and consequent earnings have been down considerably this past few months, I am hopeful that the next few months will show an improvement due to the particular low cost mining method employed. It enjoys excellent management and I think its shares are moderately priced considering its potentialities.

W. M. Toronto, Ont. I would consider the capital stock of CREOLE-PETROLEUM CORPORATION to be speculatively attractive. The company is a holding company for subsidiaries developing oil projects in Venezuela, and its stock is traded in on the New York Curb Exchange. The company is controlled by Standard Oil of New Jersey, which owns over 3,025,000 shares of the 6,974,356 shares issued. The company has apparently been steadily increasing its output, from its producing properties, 1934 production having been over 19,000,000 barrels as against 13,000,000 in the year 1933, 11,000,000 in 1932 and 8,000,000 in 1931. I have no record of any dividend disbursement but the president of the company at the annual meeting in May of this year stated that "We will pay dividends in due course of time." In the year ended December, 1934, the company showed earnings of 76 cents per share on its capital stock, against 59 cents in 1933, 30 cents in 1932, and a deficit of 65 cents in 1931. The company's balance sheet position is strong, the last report showing total current assets of \$6,477,451 of which cash was \$322,355 and crude oil \$419,312. Current liabilities were \$1,303,011 and equity per share on the capital stock was \$8.25.

W. D. W. Toronto, Ont. RED LAKE GOLD SHORE is an interesting prospect under capable management. Development to date has certainly shown interesting ore bodies. The probabilities are that the property will be launched into production this year. The financial sponsors have met all payments on due dates and I do not anticipate any trouble in financing. The property is located adjoining the Howey Gold Mines, which has been in production for several years. I am fairly optimistic regarding the company, but it must be understood that a great deal more work has to be done before it reaches a profitable basis.

A. M. Shawinigan Falls, Que. There is not, to my knowledge, any public investment interest in any company operating solely in the TELEVISION field on this continent at the present time. If you are particularly interested in television, I would suggest that you direct your attention to RADIO CORPORATION OF AMERICA which has done possibly the greatest amount of experimentation in this field. Considerable progress has been

made during the past several years and R.C.A. is engaged at the present time in a \$1,000,000 field test of television. Final conclusions on the experiment will probably not be available before the end of next year at the earliest. While television appears definitely in prospect, nevertheless it is generally believed that two or three years must elapse before there is any large scale development.

Introduction of television will undoubtedly cause radical readjustment in the present type of equipment in use.

It is more than likely, however, that the expense of both the broadcasting and receiving equipment will probably be very high during the early stages and profits from its development are not likely to accrue for at least three or four years.

L. S. Sudbury, Ont. I am not greatly impressed with the outlook for BIDGOOD KIRKLAND GOLD MINES.

It is an old, old property that has had many reorganizations and has taken on new significance only due to the present price of gold.

A responsible engineer made a report a couple of years ago and gave the company some ore which evidenced profits to pay for a 50-ton mill.

I consider the shares too speculative except for those that are prepared to lose.

The property is well removed from the profitable producing section of Kirkland Lake and the fact that the Premier Gold Mining Company, one of our leading operators, had a look at the property this summer and did not exercise this option would make me

Union Gas Company

Established 1907

For more than twenty-five years the Union Gas Company of Canada, Limited has been engaged in the production and sale of natural gas in Western Ontario. Earnings record of the Company indicates the stability of this enterprise. During the last five fiscal years average earnings (after depreciation) were 2.3 times bond interest requirements.

New Issue
Union Gas Company of Canada, Limited
 4½% First Mortgage Bonds
 Due December 1st, 1950.
 Denominations: \$500 and \$1,000.
 Price: 98 and accrued interest, yielding 4.68%.

Descriptive circular gladly forwarded upon request.

Wood, Gundy & Company Limited

Toronto
 Montreal
 Winnipeg
 London, Eng.

36 King Street West
 Ottawa
 Toronto
 Vancouver
 London, Ont.

Telephone: Elgin 4321

London
 Hamilton

Investment Income

An adequate investment return is difficult to obtain to-day. Upon request we shall be glad to send you a list of selected investments to give you a yield of 5%.

McLeod, Young, Weir & Co.
 LIMITED
 Metropolitan Building, Toronto
 Ottawa
 Montreal
 London
 Hamilton

Duncanson, White & Co. STOCK BROKERS

Members Toronto Stock Exchange
 Canadian Commodity Exchange, Inc.
 New York Curb Associate

15 King Street West, Toronto, WA. 3401-8



During 1935 The Northern Life continued to "March Ahead" in all phases of the Company's operations.

Increase in Assets
 Assets increased \$401,720, thus adding to the security standing behind the Company's policy contracts.

Increase in Surplus
 Free surplus was again increased thus maintaining an unbroken record of surplus improvement each year since 1929. Total surplus for policyholders' account is now \$555,399.

Quality of Investments
 During the year the Company's new investments were carefully selected. All assets were re-appraised and, if necessary, re-valued. Substantial amounts were added to all investment reserves. Northern Life investments are well selected and well diversified.

Gain in Force
 Business in force was increased during the year. The ordinary business in force showed an increase in addition to an increase in the Company's group business.

Increase in New Business
 New business (issue together with renewals and increases) amounted to \$7,302,551 and was well in excess of the



Concerning Insurance

Insurance in Irish Free State

More of the Irish Insurance Business for Irish Companies is Aim of Bill Now Before the Dail

BY GEORGE GILBERT

CONVINCING evidence of the strong nationalistic spirit prevailing in the Irish Free State is to be found in a comprehensive insurance measure now before the Dail. It has been frankly stated by the Irish Minister for Industry and Commerce that the purpose of the Bill is not only to better regulate the insurance business, but to "assist companies owned and controlled by nationals to obtain a position in which they can command the utmost confidence of the insuring public, and to secure that in due course the greater part, if not all, insurance business arising in the Saorstat shall be placed with such companies."

At one stage it was evidently contemplated that the Bill should confine the transaction of insurance business to the Free State to qualified native companies only, but such a drastic proposal was subsequently not considered advisable under present circumstances. A large part of the existing insurance in the Saorstat is now placed with British companies.

Seven classes of insurance are specifically dealt with by the Bill: 1) ordinary life insurance; 2) industrial life insurance; 3) fire insurance; 4) personal accident, including sickness insurance; 5) bond investments; 6) employers' liability insurance; 7) mechanically propelled vehicle insurance, that is, automobile insurance, including public liability and property damage. Other classes of insurance, such as marine, plate glass, live stock and burglary, are apparently not affected.

ONE of the most important sections of the Bill provides that insurance shall not be carried on or placed with any unlicensed insurer. The Minister of Industry and Commerce is given discretion in the matter of granting licenses, subject to the specific provisions of the Bill, and an appeal from his refusal to grant a license will lie to the High Court. There is a penalty of £50 for effecting or endeavoring to effect insurance with an unauthorized insurer.

A foreign insurer which issues a policy or other instrument of insurance to a person ordinarily resident in the Free State, or in respect of a liability which would arise if at all, in the Free State, or who accepts a premium from a person ordinarily resident in the Free State, if it relates to an insurance coming under the Act, that is, to the seven specified classes, shall be deemed to be carrying on business in the Irish Free State, whether such insurance is issued from or such premium is accepted at a place in, or a place outside, the Free State.

Following the report of the Commission on this matter, The President of London started issuing Industrial Insurance in 1854. Industrial Insurance came to this Continent in 1875, and while statistical figures are not available, there was at the end of 1934 in the United States and Canada about eighteen and one-half billion of this type of insurance issued. Again, without attempting to be accurate, I estimate that there are approximately 100 Industrial Agents operating in the United States and Canada. If to these you add the Safety and Chemical forces, it is evident that between 150 and 175 full-time field employees are in the service of these companies. Recently speaking the volume of Ordinary business produced by these men has paralleled the Industrial. In other words, about one-third of the total life insurance in force in the United States and Canada has been placed by the Industrial Agents.

WHAT INDUSTRIAL INSURANCE IS

INDUSTRIAL insurance is not the shame-faced little brother of Ordinary insurance," said Assistant Secretary E. J. MacIver of the Prudential Insurance Company of America, in a speech before the annual meeting of the Canadian Association of Life Agency Officers. "It is an Ordinary policy in miniature in most respects, outside of cash loans. It can be placed on children too young to be considered for Ordinary insurance, in homes that cannot afford Ordinary insurance and on lives that would not be eligible for Ordinary insurance. In a sense the name is a misnomer. I have lost no sleep to feel that the name life insurance itself is a misnomer and that a true concept would warrant our calling it True insurance. Similarly Industrial insurance, in its essence, is moral insurance. It is the legal descendant of the Bazaar Clubs and Friendly Societies of England which, about the middle of the last century, were found to be actuarially unsound.

Following the report of the Commission on this matter, The President of London started issuing Industrial Insurance in 1854. Industrial Insurance came to this Continent in 1875, and while statistical figures are not available, there was at the end of 1934 in the United States and Canada about eighteen and one-half billion of this type of insurance issued. Again, without attempting to be accurate, I estimate that there are approximately 100 Industrial Agents operating in the United States and Canada. If to these you add the Safety and Chemical forces, it is evident that between 150 and 175 full-time field employees are in the service of these companies. Recently speaking the volume of Ordinary business produced by these men has paralleled the Industrial. In other words, about one-third of the total life insurance in force in the United States and Canada has been placed by the Industrial Agents.

PROPOSED EMPIRE LIFE MUTUAL RELIEF LIFE MERGER

ACCORDING to a statement recently issued by C. P. Full President of the Empire Life Insurance Company, and J. C. Connel, President of the Mutual Relief Life Insurance Company, an agreement has been reached between the Boards of Directors for amalgamation of the two companies under the name of the Empire Life Insurance Company, with head office at Kingston, Ont.

This proposed merger is subject to the approval of the Superintendent of Insurance of Ontario and of the shareholders of the Empire Life and the policyholders of the Mutual Relief Life. It is pointed out that upon completion of the terms of the agreement, the Empire Life would have insurance in force in excess of \$36,000,000, assets of \$8,500,000, and an annual income of more than \$1,500,000.

Editor Concerning Insurance

Re Maritime Life Assurance Co., head office Halifax, N.S. Has this company's record been creditable? Are they making progress and are they safe to insure with?

H. G. S. Moncton, N.B.

Maritime Life Assurance Company has been in business since March 6, 1924, and under the present administration has been making satisfactory progress. It is regularly licensed and operates under the supervision of the Dominion Insurance Department. It has a deposit of \$55,000 with the Government at Ottawa for the protection of policyholders.

At December 31, 1934, its total assets were \$1,582,708.88, while its total liabilities, except capital amounted to \$1,332,126.36, showing a surplus as regards policyholders of \$250,582.52. As the paid up capital amounted to \$250,000.00, there was a net surplus of \$582.52 over capital, policy reserves and all liabilities. Total income in 1934 was \$378,789.67, and total disbursements, \$203,835.95, showing an excess of income over disbursements of \$174,953.72.



GEORGE H. GILLESPIE, who was recently appointed District Manager of the Northern Ontario District of the North American Life Assurance Company, with headquarters at Sudbury. He has had head office, selling and management experience in life insurance.

Policyholders are amply protected, and the company is safe to insure with. It issues only non-par policies in which all the values are guaranteed and are thus not dependent upon the surplus earning powers of the company.

Editor, Concerning Insurance: Would you be good enough to advise me whether the Union Insurance Society of Canton Limited is a satisfactory and safe company in which to insure personal belongings against loss by fire. I contemplate carrying \$1,000.

M. A. R., Red Lake, Ont.

Union Insurance Society of Canton, Limited, founded in 1835 and incorporated in 1873, is a well-known British company, with head office established in the City of Victoria, Colony of Hong Kong, with Canadian head office at Toronto, and with branches and agencies throughout the world.

It has been operating in Canada under Dominion license since 1917, and has a deposit with the Government at Ottawa of \$1,131,000 for the protection of Canadian policyholders. It occupies a very strong financial position, and all claims are readily collectible. You will be making no mistake in insuring with this company.

Editor, Concerning Insurance: I have a 29-year Metropolitan limited payment life policy which insures my life for \$2,000 and on which the annual premium is \$49.10. A salesman has suggested that I may be able to obtain, in addition to this policy, an endowment at 65 on which the annual premium is \$24. The premium, he states, will cost me nothing. It will be paid for, during the next two years, by the dividends earned on the original policy (\$25.32 to date) plus the dividends on the new policy, which will be made retroactive to the date of the original policy, and, after two years, by the dividends on both policies. The explanation of all this is that as I am a professional man and a preferred risk, the company is willing to give me insurance cheaper than it will most people. My present dividends will help to buy additional insurance and will be given to me when my original policy expires.

At the end of the original twenty years I can take the cash value, about \$1,100 including dividends, of my original policy, in which case I am no further ahead, except that during the interval from the present to the expiration of the original policy I shall be insured for \$3,800 instead of \$2,000.

If I do not take the money when the original policy expires, I continue to pay the premium of \$49.10 until I am fifty, policy expires when I am 44, and from age 50 to age 65 pay \$24 on additional, i.e., an annual premium of \$72.00. At age 65 I draw \$3,800 plus 10% of \$3,800 plus dividends (total about \$4,500 to \$5,000) if the company continues its present policy in this regard.

What do you think of the first part of the proposition? What of the second part? May I have the benefit of your knowledge of insurance?

B. A. M., Toronto, Ont.

You have undoubtedly acquired an entirely erroneous impression as to what you will receive if you take up the proposition as outlined, and I should ask the agent to put the whole proposition in writing, if I were you, and get further advice on it before acceptance.

You now have a 20-pay life policy for \$2,000 evidently issued in 1930 at age 21, with a present dividend accumulation of \$25.32. You are offered a \$1,000 endowment at 65 policy with a premium of about \$24. To pay the first premium on the endowment policy there is now available the \$25.32 dividend accumulation on the present policy. There will be no retrospective dividends on the new policy, and, as the company doesn't allow dividends on such policies until the third year, there will accordingly be available for the second and third premiums on the new policy only the annual dividends on the present policy, amounting to a few cents more

A Man Lives Too Long

if his old age must be spent in poverty and want.

He Dies Too Soon

if he has not made proper provision for the continued comfort of his family.

Life Assurance affords protection against each of these possibilities.

By means of one of the easy SUN LIFE plans, a man can be assured of an income for his own later years if he lives, or for his family's needs if he dies.

Your nearest SUN LIFE representative will be pleased to draw up a plan to suit your own particular requirements on request.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE MONTREAL



WHAT INDUSTRIAL INSURANCE IS

INDUSTRIAL insurance is not the shame-faced little brother of Ordinary insurance," said Assistant Secretary E. J. MacIver of the Prudential Insurance Company of America, in a speech before the annual meeting of the Canadian Association of Life Agency Officers. "It is an Ordinary policy in miniature in most respects, outside of cash loans. It can be placed on children too young to be considered for Ordinary insurance, in homes that cannot afford Ordinary insurance and on lives that would not be eligible for Ordinary insurance.

In a sense the name is a misnomer. I have lost no sleep to feel that the name life insurance itself is a misnomer and that a true concept would warrant our calling it True insurance. Similarly Industrial insurance, in its essence, is moral insurance. It is the legal descendant of the Bazaar Clubs and Friendly Societies of England which, about the middle of the last century, were found to be actuarially unsound.

Following the report of the Commission on this matter, The President of London started issuing Industrial Insurance in 1854. Industrial Insurance came to this Continent in 1875, and while statistical figures are not available, there was at the end of 1934 in the United States and Canada about eighteen and one-half billion of this type of insurance issued. Again, without attempting to be accurate, I estimate that there are approximately 100 Industrial Agents operating in the United States and Canada. If to these you add the Safety and Chemical forces, it is evident that between 150 and 175 full-time field employees are in the service of these companies. Recently speaking the volume of Ordinary business produced by these men has paralleled the Industrial. In other words, about one-third of the total life insurance in force in the United States and Canada has been placed by the Industrial Agents.

PROPOSED EMPIRE LIFE MUTUAL RELIEF LIFE MERGER

ACCORDING to a statement recently issued by C. P. Full President of the Empire Life Insurance Company, and J. C. Connel, President of the Mutual Relief Life Insurance Company, an agreement has been reached between the Boards of Directors for amalgamation of the two companies under the name of the Empire Life Insurance Company, with head office at Kingston, Ont.

This proposed merger is subject to the approval of the Superintendent of Insurance of Ontario and of the shareholders of the Empire Life and the policyholders of the Mutual Relief Life. It is pointed out that upon completion of the terms of the agreement, the Empire Life would have insurance in force in excess of \$36,000,000, assets of \$8,500,000, and an annual income of more than \$1,500,000.

SERVICE TO THE INSURED BUILDS BUSINESS FOR AGENTS

HEAD OFFICE: 199 BAY ST. TORONTO

INSURANCE CO. LIMITED

AN OLD COMPANY WITH A SPLENDID REPUTATION AND A SOUND FINANCIAL STABILITY.

FIRE—AUTO—LIMITED EXPLOSION SPRINKLER LEAKAGE—TORNADO—MARINE

HEAD OFFICE FOR CANADA: METROPOLITAN BLDG. TORONTO

COLIN E. SWORD, MANAGER FOR CANADA



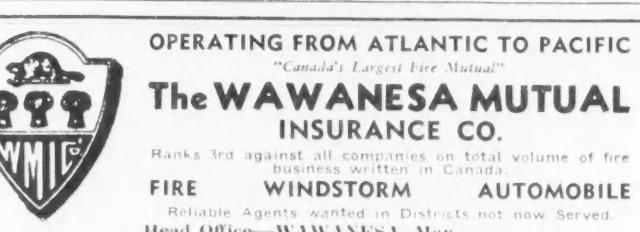
NORTHWESTERN MUTUAL FIRE ASSOCIATION

BRANCH OFFICES

TORONTO HAMILTON OTTAWA VANCOUVER VICTORIA JIMTHORON ALBANY SASKATOON WINNIPEG MONTREAL QUEBEC CITY ST. JOHN HALIFAX SEATTLE WASHINGTON

WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS \$5,183,603.19

ALL POLICIES NON ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30% ON RENEWALS



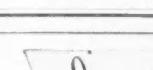
Ranks 3rd against all companies on total volume of fire business written in Canada.

RELIABLE AGENTS WANTED IN DISTRICTS NOT YET SERVED.

Head Office—WAWANESA, Man.

Eastern Office—341 Church St., Toronto, Ont.

Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q.; and Saint John, N.B.



INQUIRIES INVITED

20% TO 30% DIVIDENDS STANDARD RATES

INSURE AT COST! FIRE, TORNADO, SPRINKLER LEAKAGE, INSURANCE

To Investors in Mining Securities

For the service of investors in mining stocks who wish to obtain more complete and detailed information on mining companies and properties than it is possible to furnish in "Gold & Dross", Saturday Night is now prepared to supply an individual interpreted analysis, including a complete financial and statistical report as well as an authoritative comment on the outlook, on any mining company and property in Canada.

The price to Saturday Night readers for each such analysis will be \$10.

SATURDAY NIGHT

75 Richmond St. West, Toronto — Telephone AD. 7361

Royal Bank Of Canada 67th Annual Meeting

Morris W. Wilson, President and Managing Director, Sees Upward Trend of Business Definitely Established.
Sydney G. Dobson, General Manager, Reports \$50,000,000 Increase in Deposits For Second Year in Succession.

Basis for optimism for the immediate future is to be found in the accomplishments of the past two years, stated Mr. Morris W. Wilson, President and Managing Director, in the course of his address at the 67th Annual Meeting of The Royal Bank of Canada.

"In every province of Canada," said Mr. Wilson, "the improvement in conditions has reduced unemployment and created increased purchasing power. To the farmers of the west, there is an almost immeasurable difference between a price of 40c and 90c for wheat and there is every prospect that by the end of the crop year, the carryover will be materially reduced. In the cities, the burdens and distress due to unemployment have been reduced by an expansion in all lines of manufacturing. In fact, in recent months the volume of manufacturing has exceeded that in the normal base year 1926."

Marked expansion in the automobile and allied industries, the chemical industry, in the demand for textiles and boots, were also noted by Mr. Wilson, who remarked that the sustained activity in the mining industry during the depression and its expansion in 1934-1935 have been outstanding elements in Canadian recovery.

Mining

"The payrolls of that industry," said Mr. Wilson, "provided generous wages at a time when many of those employed in other industries were out of work. Without the expenditures of the mining industry for supplies, machinery and other items, the depression in Canada would have been much more severe. In spite of low prices and the low level of demand for building materials, the total volume of mineral production in 1935 again amounted to more than \$300,000,000. The volume of gold production attained a new high record of \$115,000,000. I am of the opinion that the great period in Canadian mineral production is in the future."

Unemployment

"While employment has shown some improvement during the past year, unemployment is still a major problem. Relief expenditures constitute a threatening drain upon the resources of many local communities. While recognizing fully our social obligations, I fear that these expenditures have not always been made with due regard to the public interest. The promised survey by the Dominion Government is awaited with great interest."

Sanctity of Contracts

Referring to the repudiation last year by one of the provinces of important long-term power contracts, Mr. Wilson said: "The alleged ground was that of illegality, but it is noteworthy that disregarding all ordinary canons of British justice, the aggrieved investors have been denied access to the courts to press their claims. Moral considerations aside, and these are not to be lightly disregarded, the policy of repudiating contracts that may have become burdensome because of changed conditions strikes at the very root of our social and economic life. Stated in its lowest terms, moreover, repudiation does not pay. In the past we have made heavy sacrifices to build up and maintain our credit abroad. Unless some means can be found to remove the stain, this incident will be a permanent blot upon the fair name of our country."

Provincial Finances

The financial position of some of our provinces has been the subject of frequent discussions during recent months. Economic conditions in Western Canada, and abnormally heavy expenditures for relief resulting therefrom, have necessitated large advances from the Dominion Government. It was inevitable that sooner or later the question of control by the Federal Government over the finances of these provinces should be brought up, particularly in view of suggestions put forward that the Federal Government, by lending its credit, should assist in a general refunding of provincial debts so as to reduce the interest charge and thereby assist in balancing the budgets of these provinces. Such assistance by the Federal Government could only be justified if there were set up effective safeguards against excessive borrowings by provinces in the future, a matter that would seem to involve an amendment to our constitution. With due safeguards, however, I believe that some such plan would merit and

each year than the 1935 allotment.

As to the settlement values, it is obvious that there will be no dividends in these values, if the dividends have already been applied in payment of the yearly premiums. With the dividends so used, the present policy will have a cash value of \$838 at the end of the 20 years. If the new policy is taken, the insurance protection during the period will be \$3,000, together with any maturity dividend allowed should the policy mature.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

At age 65 the present policy, which will be paid up at age 41, will have a cash value of \$1,376. The two policies together would have a cash value of \$2,376, together with a maturity dividend of \$238, presuming the present dividend scale is then in effect.

Editor, Concerning Insurance:

Would you kindly give us the rating of Mill Owners Mutual Fire Insurance Company, of Iowa, Canadian head office at Hamilton, Ontario, and office also Lumbermen's Alliance Company?

C. B. L. Photon, Ont.

Mill Owners Mutual Fire Insurance Company of Iowa, with head office at Des Moines and Canadian head office at Hamilton, has been in business since 1875, and has been operating in Canada under Dominion license since 1923. It is

not benefiting by any gains in general world buying power, but rather from the recovery which is under way in Great Britain and the United States. It would seem that Canada is indeed fortunate to have secured favorable trade agreements with her two best customers. While the agreement with the United States has been in effect but a few days, in view of the gain of \$100 million over the past two years, optimism as to further gains in exports to the United States during 1936 is justified.

Summary

"I would not feel justified in closing my remarks without emphasizing that many serious problems still confront us."

"But neither can I close on a pessimistic note. The Canadian people have faced—and I sincerely believe have conquered—the depression. At this stage we must not listen to the faint-hearted who have become frightened or discouraged by the trials of recent years. Those who now urge default, repudiation or compromise as a solution of our financial problem are false prophets who have not correctly read the signs of the times. The Canadian people are made of sterner stuff."

"The upward trend in business would now seem to be definitely established. In fact, I believe we may look forward to the coming year with a greater optimism than has been possible at any time in the past six years."

General Manager's Address

Mr. S. G. Dobson, general manager, referred to the financial statement, as follows:

"The Sixty Sixth Annual Report and Balance Sheet reflect continuance of the upturn of business which began in 1933, and which has progressed almost without interruption since that time. Totals under practically all headings are again higher, indicating the steady and continuous growth of the bank."

"A year ago we reported an increase of \$50,000,000 in deposits. This year we are able to report a further increase of over \$50,000,000, or a total of over \$100,000,000 in two years, an impressive amount. Deposits in Canada again increased in all provinces, savings deposits being up over \$11,000,000."

"Because of the continued lack of demand for commercial loans, the main outlet for investment of the additional deposits has been the purchase of Government and Municipal securities. As a consequence, assets under these headings have increased by \$63,000,000 to \$196,000,000."

Assets Up \$12,000,000

"Total assets during the year increased \$12,000,000, and are now \$800,919,700, the highest point reached since 1931. Quick assets stand at \$423,673,881, or 58.72% of total liabilities to the public."

"Call Loans in Canada increased \$2,868,031, while Call Loans outside of Canada decreased \$10,690,196."

"Current Loans in Canada have increased by \$30,000 and similar advances abroad by \$2,575,869. While there has been a considerable improvement in business conditions, so far recovery has not increased appreciably the demand for bank accommodation."

"Our senior Executive organization was recently enlarged by the appointment of three Assistant General Managers, namely, Burnham L. Mitchell, James Muir and Harold G. Hesler. Mr. Mitchell will continue to supervise Ontario business with headquarters in Toronto, and Mr. Muir and Mr. Hesler will, as heretofore, be attached to Head Office. All three are highly trained bankers of wide experience, who have spent their business lifetime in the service of Canada."

"At the last annual meeting, I ventured the opinion that we had every justification for looking forward to improved conditions during 1935. This expectation has been realized perhaps to an even greater extent than we had hoped for at that time. The outflow is still favorable and, as I see it, there is no reason why we should not enter 1936 with a feeling of optimism."

TRADE GAIN NEEDED

Continued from Page 21.

United Kingdom, against \$3,764 million for the United States. Trade of the latter, in fact, was being approached by that of Germany, which amounted to \$3,361 million. Since France had only \$2,657 million, it is obvious that Germany has developed a wide margin over its chief political and economic rival.

THESE four are the great trading nations of the world. Although the United States far exceeds the others in population, it is to an unusual degree a self-sustaining nation. Much of its export business arises out of its varied output of manufactures, and some of its imports at least consist of rubber and tin, the two important raw materials which it lacks. Britain's commerce on the other hand is based primarily on its absolute need for foodstuffs and other raw materials, the buying power for which is developed through the sale of textiles, steel and other British products, and from foreign investments. Germany and France, as populous and advanced industrial countries, have their own special needs in respect to imports, and have a variety of products to sell.

After these four come a group of seven or eight important trading countries, and it is in this list that the greatest changes in rank have taken place. The gap between these and the leaders is indicated by the fact that in 1934, the trade of Japan, the fifth nation, reached only \$1,294 million, or less than half the trade of France in that year. Japan was 7th in 1923, and in 1930 in fact it was as low as 10th. Its recovery to 5th place in 1934 has been due to depreciated currency, development of manufacturing skill at low cost, and persistent sales penetration of foreign markets, and has been one of the worries of the commercial world.

It will be surprising to most people to learn that little Belgium, with its population of less than that of Canada, moved up from 11th place on the list in the years 1923 to 1928, to 10th place in 1929, 8th place in 1930, and to 5th place in the years 1931 to 1933 inclusive, only to give way to Japan in 1934. Belgian trade recovered by 30 per cent. from 1932 to 1934, while that of Canada improved by only 23 per cent.

The Netherlands, with a population of only about seven million, has run Belgium a close race in respect to foreign trade, and has kept ahead of Canada in recent years.

Canada held to 5th or 6th position in the 1923 to 1930 period, but dropped to 7th in 1931 and 1932, and to 9th in 1933 when its volume of trade slipped down slightly while that of other countries was starting to improve. In 1934 it had a real gain, however, which raised it to 8th position.

IT IS a notable fact that the most populous countries of the world—China with its estimated 340 millions, and Russia with possibly 135 millions—do not appear at all

**CENTRAL MANUFACTURERS
Mutual Insurance Company**
1201 Concourse Building—TORONTO—Elgin 7207
MUTUAL FIRE and AUTOMOBILE INSURANCE
Policies Non-Assessable
Net Cash Surplus, \$2,041,252.56
Annual Cash Dividends Since 1876; Present Rate 25%

a mutual company, but issues policies on both the cash and mutual or profit-sharing plan. It is a non-tariff company, but charges tariff rates on its general business and returns a dividend or refund at the end of the year. It has a deposit with the Government at Ottawa of \$194,000 for the protection of Canadian policyholders, and maintains assets in Canada in excess of its Canadian liabilities. Its total admitted assets at the beginning of 1935 were \$2,429,732.80, while its total liabilities amounted to \$1,286,885.11, showing a surplus of \$1,142,847.69 over all liabilities. It is in a strong financial position and safe to do business with.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

The present formula for maturity and mortuary dividends is: No dividend until the eighth policy year; dividend begins at 4 per cent. of the reserve, not of the face amount of the policy, increasing to a maximum of 10 per cent. in twenty-first policy year and thereafter. The cash values stated in the policy are approximately the reserves on which these dividends are computed.

much unproductive mileage and equipment, with recurring heavy operating losses falling on the general public. The addition of a million of suitable settlers of good racial stocks on the soil of Canada would give her the larger population necessary to support the present over-expanded transportation system, and would also go far to solve our relief problems. Many countries, some poor in natural resources, have more people to support than before the Great War, with less proportionate wealth and productive facilities, and the question is well raised whether the great amounts expended by these States for the maintenance of the unemployed—in one way by militarizing them—would not be more humanely spent in establishing the excess population in the five great settlement belts still available, namely, Canada, Australia, Africa, South America and Siberia.

PUBLIC FINANCE

For many years this Bank has urged various constructive legislative and administrative measures in the consideration of our numerous governmental bodies. These ranged from legislative union of some of our Provinces and reduction in the number of municipalities, to economy in expenditures, in order to bring budgets into balance, and to taxation reform. No one now realizes more clearly than our legislators that the cost of public services is out of proportion to the population and its income. The situation cannot be relieved by increased borrowing, or by shifting part of the

burden of the care of unemployed people from one legislative group to another.

It is now quite generally agreed that continuous borrowing to cover deficits and to maintain social services on the present scale cannot go on indefinitely, and therefore that the most rigid public economy and higher taxation must be faced. Intensive study should be given to the problem of establishing a broader and more equitable basis of taxation. In this connection I again advocate a national turnover tax as more likely than any other new form of levy to meet the need of a balanced Dominion budget.

CONFIDENCE THE KEY TO RECOVERY

In conclusion I should like to stress that for the full measure of recovery for which the world is hoping, the intangible factor of confidence is indispensable. As long as there exists uncertainty or distrust respecting such vital matters as world peace, stabilization of currencies, industrial relations, the attitude of Government towards private business and good faith as to public contractual obligations, permanent improvement in world affairs is impossible. Without that confidence, which is the moral and hence the most powerful influence in business, and indeed in all relations between man and man and of nation with nation, both domestic and international economic conditions must remain unsatisfactory and disturbing. With it, all things can be accomplished.

NEW BOOKS

BALKAN BLOODSHED

"Royal Purple," by Bertita Harding. Toronto, McClelland & Stewart. \$2.50.

BY WILLIAM M. GIBSON

ANTHONY HOPE and Bernard Shaw and whoever concocted "The Chocolate Soldier" from "Arms and the Man" are really responsible for the trouble. Because of their extravaganzas, it has become practically impossible for the average person to visualize the Balkan States other than as Ruritanias peopled by Ruperts and Rainas; other than as fictional lands where the people spend their days dancing to the strains of the Blue Danube, where the romances of heirs-apparent and peasant maidens are acclaimed by the full ensemble in song and dance, as the final curtain falls.

Because she had to contend with this popular misconception, it is regrettable that Mrs. Harding has



HARVEY B. HENWOOD, General Manager of The Bank of Toronto which has just issued its 80th annual statement, showing the former strong position and high liquidity fully maintained. Profits for the year ended November 30th amounted to \$806,391, dividends were paid at the rate of 10 per cent, per annum and \$106,391 was carried forward to profit and loss balance, which stood at \$843,565, at the close of the fiscal year.

and counter intrigues which preceded it, could have occurred in the Europe of the twentieth century. But happen they did, which is what you will have difficulty in remembering when you are reading Mrs. Harding's blood-stained royal tragedy. As she herself reminds you, "Royal Purple is not really purple, but Red."

CHROMITE IN CANADA

THE principal deposits of chromite in Canada, according to a report of the Dominion Department of Mines, are situated in the Coleraine district of Quebec. These deposits are regarded as capable of producing large quantities of low-grade ore. There has been no production from these deposits for several years.

Considerable prospecting work for chromite, according to the same official report, has also been done in British Columbia. The main British Columbia deposits are on Scottie Creek, 20 miles north of Ashcroft. Trial shipments were made from these deposits in 1929. Occasional shipments of chromite have also been made in the past from Cascade, near Grand Forks, in British Columbia.



GEORGE A. MORROW, President of The Imperial Life Assurance Company of Canada, which reported an increase in assets during 1935 of \$5,806,143, to a total of \$75,163,593. More than nine thousand policies, amounting to \$24,014,147, were issued in 1935, increasing the total amount of insurance now in force to \$279,348,894 on the lives of more than seven thousand persons.

written of King Alexander and Queen Draga of Serbia in so frankly fictional a form. Although she uses, as the motto of her book, Anatole France's dictum that "History is an art and should be written with imagination," it strikes us that the publisher has hit it off better in his dust-cover description. "Royal Purple" is a novel, with the dearth of material available on the last of the Obrenovitchs, it could not well be anything more important. But with the paltry bibliography to which she had access, and which she used to the full for "the historical background," Mrs. Harding has made an excellent thing of a thankless task. That, however, does not imply that "Royal Purple" is to be regarded as a work of historical reference.

Because the Serbians were too proud to follow the example of their neighbors in the Balkans, and place a Hohenzollern or a Cobourg on their throne, they suffered exceedingly at the hands of their semi-peasant Obrenovitchs, Milan and his son Alexander the First, and most of all at those of the latter's consort Draga, whose peasant ambition, vanity and ruthlessness brought their dynasty to an end. And today, after all that (though Mrs. Harding omits to mention the fact), the Yugo-Slavs have a young Karageorgevitch king, in whose veins flows the blood of those Hohenzollerns and those Cobourgs whom they spurned half a century ago. King Peter's mother, Marie, the widow of the assassinated Alexander the Second, is the daughter of Ferdinand Hohenzollern of Roumania and of Marie, Cobourg through her grandfather the Prince Consort. *Plus ca change.*

It seems incredible that such things as the ghastly murder of Alexander and Draga, as the Borgia-like intrigues

S. H. LOGAN, General Manager of The Canadian Bank of Commerce, who struck a new note in his annual address to shareholders in that he devoted considerable time to clearing up many misconceptions as to Canadian banking practice. He stressed the important point that the power to create "bank money" was based entirely on the confidence of the general public, and that the first duty of every bank was to its depositors.

—Photo by International Press.

Wilport Gold Mines Ltd.

A special letter on this stock has been prepared by our statistical department and will be forwarded upon request.

C. A. GENTLES & CO.

MEMBERS THE TORONTO STOCK EXCHANGE
347 Bay Street, Toronto, Ont.

ADelaide 4012

These bonds having all been sold, this advertisement appears only for purpose of record.

Refunding Issue

\$10,000,000

Montreal Light, Heat & Power Consolidated

FIRST MORTGAGE AND COLLATERAL TRUST 3½% TWENTY-YEAR SINKING FUND BONDS

To be dated February 1st, 1936

To mature February 1st, 1956

Principal and semi-annual interest (August 1st and February 1st) payable in lawful money of the Dominion of Canada, at the principal office of the Royal Bank of Canada in the Cities of Montreal or Toronto, Canada. Redeemable as a whole or in part, at the option of the Company, at any time on thirty days' notice, at par plus a premium of 3% on February 1st, 1941, or at any time prior thereto, the premium decreasing 1/2% each twelve months' period thereafter up to and including that terminating on February 1st, 1952, and at par on February 2nd, 1952 and thereafter prior to maturity, together in every case with accrued interest to the date of redemption. The Company will covenant to make annual Sinking Fund payments, commencing February 1st, 1942, sufficient to retire not less than one-third of this issue by maturity. Definitive bonds will be of \$1,000 denomination, in coupon form registerable as to principal only, and of \$1,000 denomination and authorized multiples thereof, in fully registered form.

MONTRAL TRUST COMPANY, MONTREAL, Trustee

IN THE OPINION OF COUNSEL, THESE BONDS WILL BE A LEGAL INVESTMENT FOR LIFE INSURANCE COMPANIES UNDER THE CANADIAN AND BRITISH INSURANCE COMPANIES' ACT, 1932.

THE COMPANY

Montreal Light, Heat & Power Consolidated was incorporated under the laws of the Province of Quebec in 1916 to consolidate under one management certain public utility companies, the oldest of which was formed in 1836.

The Company operates a public utility system which supplies all the gas, electric light and power requirements of Greater Montreal. The territory served has a population of approximately 1,300,000, or over one-tenth of that of Canada.

GROWTH OF BUSINESS AND CUSTOMER RELATIONS

The following tabulation shows the growth of the volume of the Company's business, customer ownership and the continuous rate reductions which have been to the mutual benefit of all parties.

Year	Primary power electrical output (in thousands of k.w.h.)	Gas output (in thousands of cubic ft.)	Number of Customers	Customers owning Company's shares or debentures	Domestic service rates per k.w.h.
1905.....	93,453	1,010,207	12,191	12.75
1915.....	319,612	2,547,040	65,476	6.00
1925.....	1,175,735	4,663,423	187,284	5,026	3.50
1935.....	1,429,425	5,156,131	266,662	38,522	2.52*

*Energy charge with successive reductions for larger consumption reducing to 1.8 cents per k.w.h. consumed in excess of 70 k.w.h. and 0.9 cents per k.w.h. consumed in excess of 200 k.w.h.

CAPITALIZATION

The outstanding capitalization of the Company as of December 31st, 1935, adjusted to reflect the creation of the First Mortgage and Collateral Trust Bonds, the delivery of this issue and of the "2½% Series" bonds, aggregating \$5,000,000 principal amount, which will be issued at the same time and the retirement of \$27,615,000 outstanding First Refunding and Collateral Trust Bonds, due 1951, which are being called for redemption on April 1st, 1936, is as follows:

FUNDED DEBT—

FIRST MORTGAGE AND COLLATERAL TRUST BONDS

(Total authorized amount, \$150,000,000.)

"2½% Series" due Feb. 1, 1937.....	\$1,000,000	OUTSTANDING
"2½% Series" due Feb. 1, 1938.....	1,000,000	
"2½% Series" due Feb. 1, 1939.....	1,000,000	
"2½% Series" due Feb. 1, 1940.....	1,000,000	
"2½% Series" due Feb. 1, 1941.....	1,000,000	
"3½% 20-Year Sinking Fund" due Feb. 1, 1956 (this issue).....	10,000,000	\$15,000,000*

3% Convertible Debentures due July 1, 1939.....

(Total authorized amount, \$30,000,000.)

CAPITAL STOCK	4,489,181 shares
---------------------	------------------

(Total authorized amount, 10,000,000 no par shares.)

*Interest requirements \$475,000 for year ending February 1st, 1937, reducing \$25,000 per year thereafter until the 2½% Series Bonds are retired, then \$350,000.

EQUITY

The First Mortgage and Collateral Trust Bonds will be the senior obligations of the Company, ranking ahead, as to security, of the outstanding \$26,823,550 principal amount of 3% Convertible Debentures. These Debentures and the 4,489,181 outstanding shares of Capital Stock of the Company, at current prices on the Montreal Stock Exchange have an aggregate market value of over \$165,000,000. Dividends have been paid continuously since the formation of the Company.

EARNINGS

The earnings of the Company for the years ended December 31st, 1931-1934, inclusive, and the estimated earnings for the year ended December 31st, 1935, are as follows:

	1931	1932	1933	1934	1935
Earnings.....	\$25,410,776	\$24,783,066	\$23,766,431	\$24,273,710	\$24,042,527
Operating Expenses.....	7,380,325	7,758,773	7,679,135	8,136,688	8,162,319
Taxes.....	1,719,657	1,771,523	1,760,809	2,065,659	2,380,790
Net Earnings available for Interest.....	\$ 9,600,432	\$ 9,530,296	\$ 9,439,944	\$10,202,347	\$10,543,109
Interest.....	15,810,294	15,252,770	14,326,487	14,071,372	13,499,218
Interest	3,502,295	4,021,933	3,886,576	3,658,782	3,347,201
Balance available for Depreciation and Dividends.....	12,307,999	11,230,837	10,439,911	10,412,590	10,152,017

These figures have been taken from the Annual Reports of the Company, which have been audited and certified to by P. S. Ross & Sons.

PURPOSE OF ISSUE

This issue is being made for the purpose of providing part of the funds required for the redemption on April 1st, 1936, of \$27,615,000 principal amount of outstanding First Refunding and Collateral Trust 5% Bonds, Series "A", due October 1st, 1951.

We offer these bonds when, as and if issued and received by us, subject to the opinion of Counsel as to due compliance with all legal formalities, at

PRICE: 98.50 to yield about 3.60%.

Collier, Norris & Henderson, Limited

Wood, Gundy & Company, A. E. Ames & Company, Dominion Securities Corporation, Limited

Société de Placements, Inc., Aldred & Company, McTaggart, Hannaford, Birks & Gordon, Limited

Royal Securities Corporation, Hanson Bros. Inc., Nesbitt, Thomson & Company, Limited

</div

Over 5% Income plus Safety and Diversification

Safety of principal, diversification and substantial income return are offered to the investor through the purchase of equal amounts of the following first mortgage bonds:

	Rate	Maturity	Price	Yield %
*Union Gas Co. of Canada Ltd.	4½%	1950	98.00	4.68
*Hamilton By-Product Coke Ovens Ltd.	5%	1955	99.50	5.00
*Nanaimo-Duncan Utilities Limited	5½%	1961	100.00	5.00
Canadian Utilities, Ltd.	5%	1955	95.00	5.40
*Dominion Electric Power Limited	5½%	1955	97.00	5.75
*Payable Canada only				
Payable Canada and United States				
Payable Canada and London				
For information apply to agent.				

VANCOUVER
OTTAWA
QUEBEC
SAINT JOHN
MONCTON
TRIUMPH
GAMBILLION
CHARLOTTETOWN
HALIFAX

W. C. Pitfield & Company
Limited

235 St. James Street
Montreal

80 King Street West
Toronto



National Trust Company Limited

Balance Sheet, 31st December, 1935

ASSETS

CAPITAL ACCOUNT:	
Office Premises and Safe Deposit Vaults at Toronto, Montreal, Hamilton, Winnipeg, Saskatoon and Edmonton,	\$1,406,111.30
Real Estate held for sale under mortgage foreclosure,	1,657,217.33
Rents due and accrued,	3,529.68
Mortgages and Agreements for Sale,	
Principal,	\$2,593,405.35
Interest due and accrued,	121,269.63
Loans on Bonds and Stocks,	\$2,741,675.48
Securities,	36,138.55
Provinces of Canada,	\$105,000.00
Other Bonds and Debentures,	100,951.92
Interest accrued,	1,251.93
Stocks,	5207,206.85
Advances to Estates, Trusts and Agencies,	562,562.12
Cash on Hand and in Banks,	163,778.69
	143,580.17
	\$6,496,823.17

GUARANTEED TRUST ACCOUNT:

Mortgages:	
Principal,	\$10,713,394.50
Interest due and accrued,	503,691.30
	\$11,227,585.80
Loans on Bonds and Stocks,	118,907.52

Securities:

Dominion of Canada and Provinces of Canada	
Canadian Municipalities,	81,366,161.39
Other Bonds and Debentures,	2,271,137.51
Interest accrued,	1,273,107.37
	83,322.75
Stocks,	57,994,029.02
Cash on Hand and in Banks,	511,537.25
	2,476,931.95
	\$22,329,074.54

ESTATES, TRUSTS AND AGENCY ACCOUNT:

Funds and Investments,	
	\$241,142,349.03
	\$241,142,349.03
	\$272,963,246.74

LIABILITIES

CAPITAL ACCOUNT:	
Capital Stock, subscribed and fully paid,	\$3,000,000.00
Reserve Fund,	3,000,000.00
	\$6,000,000.00
Dividend No. 144, payable January 2, 1936,	60,000.00
Reserve for Dominion Income Tax,	57,451.65
Profit and Loss,	379,371.52
	\$6,496,823.17

GUARANTEED TRUST ACCOUNT:

Trust Deposits,	
Guaranteed Trust Certificates,	813,071,302.39
	1,257,272.15
	\$22,329,074.54

ESTATES, TRUSTS AND AGENCY ACCOUNT:

Estates, Trusts and Agencies,	
Due to Company for Advances to Estates, Trusts and Agencies,	\$243,978,570.34
	163,778.69
	\$241,142,349.03
	\$272,963,246.74

PROFIT AND LOSS ACCOUNT

For Year Ending 31st December, 1935

Balance 31st December, 1934,	\$358,586.19
Net Profits for the year after deducting cost of Management, Directors' and Auditors' Fees, Contingencies, etc,	353,365.15
	\$712,451.34
APPROPRIATED AS FOLLOWS:	

Quarterly Dividends:	
Nos. 111 to 114, inclusive, at the rate of 3½% per annum,	\$210,000.00
To provide for Dominion, Provincial and Municipal Taxes other than taxes on Real Estate,	93,079.82
Balance Carried Forward,	379,371.52
	\$712,451.34

BOARD OF DIRECTORS:

Chairman of the Board: Sir Joseph Flavelle, Bart.

President: W. E. Rundle

Vice-Presidents: E. R. Wood, Herbert C. Cox, Leighton McCarthy, K.C.

The Right Honourable Sir Thomas White, G.C.M.G.

H. B. Walker	Carl Riordan	James A. Richardson
H. J. Fuller	W. H. McWilliams	J. A. McLeod
W. M. Burks	George W. McLaughlin	G. A. Morrow
E. M. Saunders	W. G. Morrow	G. H. Levy, K.C.
Sir John Aird	F. F. Dalley	A. N. Mitchell
Miller Lash, K.C.	Thomas C. Haslett, K.C.	The Honourable Frank P. O'Connor
A. McE. Campbell	D'Arcy Martin, K.C.	E. G. Long, K.C.
George W. Allan, K.C.	C. S. Wilcox	Aimé Geoffrion, K.C.
Edward Fitzgerald	Walter Molson	
	William Legatt	

J. M. Macdonnell, General Manager

A copy of the Proceedings at the Annual Meeting of Shareholders will be mailed, when available, to those requesting it.

Consumer Is Loser

By Codes

(Continued from Page 21)

A producer is often more willing to sell to one retailer than to another at a lower price for the same quantity of merchandise of like quality. He allows a certain retailer a discount because the latter makes a practice of co-operating with him in ways which lessen the cost of production, and minimize his risk of doing business.

As a stimulus to trade the manufacturer supplies a progressive distributor with goods at a special price to enable the latter to introduce new products, open up new markets or dispose of a surplus of goods in any line due to overproduction. In each of these cases the consumer benefits directly in value received, and the manufacturer is enabled to operate his plant more efficiently. The new amendment to the criminal code would prevent the manufacturer from making deals mutually beneficial to himself, the retailer, and the consumer.

Advertising allowances to large-scale merchandisers have long been recognized as a fair method of sharing the cost of advertising between the manufacturer and retailer. Already, the writer understands, some manufacturers are discontinuing all advertising allowances to retailers with the result that the latter, in order to continue to keep their merchandise before the public by advertising, are obliged to pass on this part of their selling costs to the public. In these cases the manufacturer saves himself the cost of advertising allowances and simply adds to his own profits at the expense of the retailer's customers, the consuming public.

It is also apparent that if the producer must charge all retailers the same price who buy like quantities of goods of equal quality from him that his own sales costs will rise. Ultimately his price to the whole trade, including the independents and smaller retailers, must go up. In any event the latter will not be able to buy at a better price even from the beginning of such government regulated trade practices, and by the resultant dislocation of recognized principles of merchandising the consumer must pay the piper.

If this legislation is declared intra vires of the federal authority by the Supreme Court, and is not repealed by the present Dominion Government, its enforcement will be difficult because it is not backed by sufficient public opinion.

The supposed benefits may, on the surface appear evident, but the ultimate harm to fair competition in trade is probably not so easy to discern.

The National Recovery Act of the United States, the famous N.R.A., was more flexible than is a Dominion statute. Yet the Brookings Institution in referring to its price-fixing and attempted regulation of trade practices, not unlike those envisaged by the new Canadian law, made the following observations: "Recovery was hindered rather than helped. Rather than eliminating unfair competitive practices, the price-fixing activities have tended to lessen competition itself. . . . The determination of what is fair in competition is of great difficulty in connection with prices. . . . The N.R.A. work in trade practices regulation led into economic wilderness."

Legal authorities point out that this amendment to the criminal code is an attempt to provide an instrument for social control by means of criminal law, which would seem to be a very questionable procedure.

The criminal code deals with offences against the state, against society, against the person or property. However, it is pointed out, when the criminal code is used to achieve some other purpose, such as making a crime of something that involves no real moral problem, its whole purpose is likely to become confused. It would seem that the regulation of trade practices, which from time immemorial have been regarded as perfectly fair and legitimate